

Reprinted 3/21
SENATE FILE 108

FILED JAN 31 1973

Indrawing 2-1-73, Pass per amendments 4/15 BY LAMBORN
(Fisher of Greene)

Potter, Chairman
McCartney
Willits

*No. filed in Law Enforce.
amend. Pass 5/1 ✓*

Passed Senate, Date 2-22-73 (459) Passed House, Date _____
Vote: Ayes 39 Nays 8 Vote: Ayes _____ Nays _____

Approved _____

*Motion to reconsider filed 3/1, prevailed 3/21
Vote recorded on reprint*

A BILL FOR

1 An Act relating to games of skill, games of chance, raffles
2 and providing penalties.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25

1 Section 1. NEW SECTION. DEFINITIONS. As used in this
2 Act, unless the context otherwise requires:

3 1. "Game of skill" means a game whereby the result is
4 determined by the player directing or throwing objects to
5 designated areas or targets, or by maneuvering water or an
6 object into a designated area, or by maneuvering a dragline
7 device to pick up particular items, or by shooting a gun or
8 rifle.

9 2. "Game of chance" means a game whereby the result is
10 determined by chance and the player in order to win aligns
11 objects or balls in a prescribed pattern or order or makes
12 certain color patterns appear and specifically includes but
13 is not limited to the game commonly known as bingo. Game
14 of chance does not include a slot machine.

15 3. "Raffle" means a lottery in which each participant
16 buys a ticket for a chance at a prize with the winner
17 determined by a random method.

18 4. "Fair" means an annual fair and exposition held by
19 the Iowa state fair board and any fair held by a county or
20 district fair or agricultural society under the provisions
21 of chapter one hundred seventy-four (174) of the Code.

22 5. "Authorized" means approved as a concession by the
23 Iowa state fair board or a county or district fair or agri-
24 cultural society holding a fair.

25 6. "Qualified organization" means any public or private
26 elementary or secondary school and any corporation or voluntary
27 association recognized by the internal revenue service as
28 a nonprofit corporation and exempt from the payment of federal
29 income taxes and listed in section five hundred one (501),
30 subsection (c), paragraphs three (3), four (4), eight (8),
31 ten (10), or nineteen (19), Internal Revenue Code of 1954,
32 as amended, and any bona fide nonprofit religious organization
33 which has been in existence continuously for a period of five
34 years and maintains an established place of worship within
35 this state.

1 Sec. 2. NEW SECTION. FAIR GAMES. Games of skill and
2 games of chance which have been authorized may be operated
3 and played at fairs, provided:

4 1. The game has clearly displayed and specified the cost
5 of play, which shall not exceed fifty cents, and an explanation
6 of how the game is played, and

7 2. No prize is displayed which cannot be won, and

8 3. Cash prizes are not awarded and merchandise prizes
9 are not repurchased, and

10 4. The outcome or winner of the game is not controlled
11 by the operator of the game, and

12 5. The game is not operated on a build-up or pyramid
13 basis, and

14 6. The aggregate value of any single prize does not exceed
15 twenty-five dollars.

16 Sec. 3. NEW SECTION. FAIR RAFFLES. A fair may conduct
17 raffles, provided:

18 1. The cost of a chance shall not exceed fifty cents,
19 and

20 2. No prize is displayed which cannot be won, and

21 3. Cash prizes are not awarded and merchandise prizes
22 are not repurchased, and

23 4. The aggregate value of any single prize does not exceed
24 twenty-five dollars.

25 Sec. 4. NEW SECTION. QUALIFIED ORGANIZATIONS. Games
26 of skill, games of chance, and raffles may be conducted by
27 qualified organizations, provided:

28 1. No person except a bona fide member, employee, student,
29 or parent or guardian of a student, of a qualified organization
30 may participate in the management or operation of a game or
31 raffle, and

32 2. No person may receive any remuneration or profit for
33 participation in the management or operation of a game or
34 raffle, and

35 3. A game or raffle may not be conducted on rented premises

1 unless the premises are rented from a qualified organization,
2 and

3 4. The entire net proceeds are devoted exclusively to
4 the lawful purposes of the qualified organization and do not
5 inure to the benefit of any individual, and

6 5. The aggregate value of any prize in any single game
7 or raffle shall not exceed twenty-five dollars, and

8 6. Cash prizes are not awarded and merchandise prizes
9 are not repurchased, and

10 7. The outcome or winner of a game is not controlled by
11 the operator.

12 Sec. 5. NEW SECTION. CIVIC CELEBRATIONS. The city or
13 town council of any city or town may by resolution authorize
14 games of skill, games of chance, and raffles at any bona fide
15 civic, service, or merchants carnival, bazaar, centennial,
16 or celebration, provided:

17 1. That games of skill and games of chance shall be subject
18 to the same restrictions as provided in section two (2),
19 subsections one (1) through six (6), of this Act, and

20 2. That raffles shall be subject to the same restrictions
21 as provided in section three (3), subsections one (1) through
22 four (4), of this Act.

23 Sec. 6. NEW SECTION. PENALTIES. Any person who con-
24 ducts, manages, operates, plays or participates in a game
25 of chance or raffle in a manner which causes the winner to
26 be determined other than by chance shall be guilty of a
27 misdemeanor. Any person who conducts, manages or operates
28 a game of skill, game of chance or raffle in violation of
29 the provisions of this Act shall be guilty of a misdemeanor.

30 Sec. 7. Section ninety-nine point one (99.1), Code 1973,
31 is amended by adding the following new paragraph:

32 NEW PARAGRAPH. This section shall not apply where the
33 gambling or pool selling is pursuant to the provisions of
34 this Act.

35 Sec. 8. Section five hundred thirty-seven point four

1 (537.4), Code 1973, is amended by adding the following new
2 paragraph:

3 NEW PARAGRAPH. This section shall not apply to contracts
4 incident to the operation of games or raffles conducted
5 pursuant to the provisions of this Act.

6 Sec. 9. Section seven hundred twenty-six point one (726.1),
7 Code 1973, is amended by adding the following new paragraph:

8 NEW PARAGRAPH. This section shall not apply to any person
9 where the game or raffle is held in accordance with the
10 provisions of this Act.

11 Sec. 10. Section seven hundred twenty-six point three
12 (726.3), Code 1973, is amended by adding the following new
13 paragraph:

14 NEW PARAGRAPH. This section shall not apply to any per-
15 son playing a game or buying a chance at a raffle which is
16 conducted pursuant to the provisions of this Act or which
17 he reasonably believes to be conducted pursuant to the
18 provisions of this Act.

19 Sec. 11. Section seven hundred twenty-six point four
20 (726.4), Code 1973, is amended by adding the following new
21 paragraph:

22 NEW PARAGRAPH. This section shall not apply to any wager
23 on a game or raffle conducted pursuant to the provisions of
24 this Act.

25 Sec. 12. Section seven hundred twenty-six point five
26 (726.5), Code 1973, is amended by adding the following new
27 paragraph:

28 NEW PARAGRAPH. This section shall not apply to any machine
29 used for games or raffles conducted in accordance with the
30 provisions of this Act.

31 Sec. 13. Section seven hundred twenty-six point six
32 (726.6), Code 1973, is amended by adding the following new
33 paragraph:

34 NEW PARAGRAPH. This section shall not apply to any per-
35 son operating or managing a game or raffle in accordance with

1 the provisions of this Act.

2 Sec. 14. Section seven hundred twenty-six point eight
3 (726.8), Code 1973, is amended by adding the following new
4 paragraph:

5 NEW PARAGRAPH. This section shall not apply to any per-
6 son managing, operating, advertising, or playing any game
7 or raffle pursuant to the provisions of this Act.

8 EXPLANATION

9 This bill provides games of skill and games of chance may
10 be played at fairs subject to some restrictions and that fairs
11 may conduct raffles subject to some restrictions.

12 This bill also provides that certain organizations of a
13 civic, religious, charitable, and educational variety may
14 conduct games of skill, games of chance and raffles, subject
15 to some restrictions.

16 This bill also provides that cities and towns may authorize
17 games and raffles at bona fide civic, service, or merchants
18 celebrations, subject to some restrictions.

19 This bill defines game of skill and game of chance to limit
20 games to the type generally played at fairs and to include
21 bingo. Wager and prize limitations are established.

22
23 *Proof of Publication 6/11/73*
24 *Telegraph Herald 6/1*
25 *Press Citizen 5/21*

26
27
28
29
30
31
32
33
34
35

S-164

1 Amend Senate File 108, page 2, line 26, by adding the
2 "labor union or political party as defined in section words
3 three point two (43.2) of the Code or any" after the forty-
4 "any". word

Filed *Withdrawn 2/27*
February 27, 1973

By GLUBA

S-162

1 Amend Senate File 108 as follows:
2 1. Page 3, line 15 by striking the period and
3 in lieu thereof ", and". inserting
4 2. Page 3, by inserting after line 15 the following new
5 subsections:
6 "7. The aggregate value of all prizes awarded in a
7 day on a game of skill or game of chance does not exceed single
8 five hundred dollars, and does not exceed
9 8. No game of skill or game of chance is conducted on
10 more than twelve days per year."
11 3. Page 3, line 24 by striking the period and
12 in lieu thereof ", and". inserting
13 4. Page 3, by inserting after line 24 the following new
14 subsections:
15 "5. The aggregate value of all prizes awarded in a
16 day on raffles does not exceed five hundred dollars, and single
17 6. No raffle is conducted on more than twelve days
18 year." per

Filed *Withdrawn 2/27*
February 27, 1973

By PLYMAT and HILL

S-163

1 Amend Senate File 108, page 4, by adding the following
2 after line 11:
3 "8. Subsections one (1), two (2), and three (3) do
4 not apply where the game of chance is bingo or any
5 game by another name." similar

Filed *w. D. 2/28*
February 27, 1973

By GLUBA

S-161

1 Amend Senate File 108 as follows:
2 1. Page 2, by striking all of lines 9 through 14
3 inclusive and inserting in lieu thereof the following:
4 "2. 'Game of chance' means the game commonly known as
5 bingo or similar game."

Filed *Withdrawn 2/27*
February 27, 1973

By PLYMAT and HILL

S-159

1 Amend Senate File 108 as follows:
2 1. Page 2, by adding after line 35 the following new
3 subsection:

4 "7. 'Licensed' means licensed by the department of
5 revenue
6 to conduct a game of skill, game of chance or raffle."

7 2. Page 3, by inserting before line 1 the following
8 new
9 section and renumbering the remaining sections:

10 Sec. ____ . NEW SECTION. LICENSING. Games of skill,
11 games of
12 chance and raffles may be operated, provided:

13 1. The games and raffles are conducted by licensed
14 fair
15 boards or qualified organizations only, and

16 2. The department of revenue shall license fair
17 boards
18 and qualified organizations to conduct games and raffles
19 authorized under this Act, and

20 3. There shall be an annual license fee for each
21 type of
22 game or raffle which shall be ten dollars, and

23 4. No fair board shall be licensed to operate games
24 or
25 raffles authorized under this Act more than twelve days
per year.

3. Page 3, line 2, by inserting after the word
"authorized"

the words "and licensed".
4. Page 3, line 16, by inserting after the second
word

"fair" the words "which is licensed".
5. Page 3, line 26, by adding after the word "by"
the word

"licensed,".
6. Page 4, line 14, by inserting after the word
"raffles"

the words "to be operated by licensed, qualified
organizations".

Filed -
February 27, 1973

By PLYMAT and BLOUIN

S-160

1 Amend the Judiciary Committee Amendment S-81 filed
2 February 15 to Senate File 108 as follows:
3 1. Page 2, by inserting the following new
4 subsections

5 after line 22, and renumbering the remaining
6 subsection:
7 "7. The aggregate value of all prizes awarded in a
8 single day on a game of skill, game of chance or raffle
9 does not exceed five hundred dollars, and

8. No game of skill, game of chance or raffle is
conducted on more than fifty days per year, and".

Filed -
February 27, 1973

By PLYMAT and HILL

S-187

1 Amend Shaff amendment S-158 filed February 27 to Senate
File
2 108 as follows:
3 1. By striking lines 5 and 6 and the words "the Code"
in
4 line 7 and inserting in lieu thereof the following:
"except
5 qualified organizations as defined in section one (1)
of this
6 Act".

Filed and lost
February 28, 1973

By RILEY

S-181

1 Amend Senate File 108, as follows:
2 1. Page 4, line 29, by adding the following new
section:
3 Sec. ____ . NEW SECTION. No profit-making business
4 establishment engaged in the sale of food items for
human
5 consumption shall conduct any drawing for, or otherwise
give
6 away cash or merchandise, other than trading stamps
given on
7 the basis of the quantity of food or merchandise
purchased,
8 where the purpose of the drawing or give away of cash or
9 merchandise is to increase the number of customers or
10 potential customers.
11 2. By renumbering the bill sections.

Filed and ruled not germane
February 28, 1973

By RAMSEY and HILL

S-182

1 Amend Priebe amendment S-173 filed February 28 as follows:
2 1. Lines 6 and 7 by striking the words "is uncompensated"
3 and inserting in lieu thereof the words "is not fully
4 compensated".
5 2. Lines 10 and 11 by striking the words "is
uncompensated"
6 and inserting in lieu thereof the words "is not fully
7 compensated".

Filed and adopted
February 28, 1973

By LAMBORN

S-176

1 Amend Senate File 108, page 4, by adding the following
2 after line 11:
3 "8. Subsections one (1), two (2), and three (3) do
not
4 apply where the game of chance is bingo."

Filed and withdrawn
February 28, 1973

By GLUBA

S-183

1 Amend Senate File 108, page 4, by adding after line 29
the
2 following new section and renumbering the remaining
3 sections:
4 Sec. ____ . NEW SECTION. Bingo games. Whenever
5 the game of chance being operated by a qualified organi-
6 zation is bingo, the provisions of section five (5),
7 subsections one (1), two (2), and three (3) of this Act
8 shall not apply.

Filed and lost
February 28, 1973

By GLUBA

S-171

1 Amend the Judiciary Committee Amendment S-81 filed
February 15
2 to Senate File 108 as follows:
3 1. Page 1, by inserting the following after line 6:
4 "3. Page 3, by inserting the following after line
15:
5 '7. The game of chance known as bingo or any
similarly
6 played game of chance known by another name may not be
operated
7 by any person other than a qualified organization
unless the fair
8 board has received no application from a qualified
organization
9 to conduct the game. If a qualified organization has
applied to
10 the fair board to operate bingo under this subsection,
the game
11 shall be subject to the restrictions provided in
section five (5),
12 subsections one (1), two (2), four (4), five (5), six
(6) and
13 seven (7) of this Act.'"
14 2. Page 2, by adding the following after line 2:
15 "3. That the game of chance known as bingo or any
similarly
16 played game of chance known by another name may not be
operated
17 by any person other than a qualified organization
unless the fair
18 board has received no applications from a qualified
organization
19 to conduct the game. If a qualified organization has
applied
20 to the fair board to operate bingo under this
subsection, the game
21 shall be subject to the restrictions provided in
section five (5),
22 subsections one (1), two (2), four (4), five (5), six
(6) and
23 seven (7) of this Act."

Filed and lost
February 28, 1973

By BLOUIN

S-172

- 1 Amend S-81 by the Committee on Judiciary filed
February 15, 1973,
- 2 as follows:
- 3 1. Page 1, by inserting the following after line
10.
- 4 5. Page 3, by inserting the following after line
24:
- 5 5. That notwithstanding subsections one (1) and
four (4) a fair
6 may hold not more than one raffle per year at which a
merchandise prize
7 may be awarded if not greater than five thousand
dollars in value by
8 purchase price paid by the fair.
- 9 2. Page 2, line 2; by striking the following
"four (4)" and
10 inserting in lieu thereof the following "five (5)".
- 11 3. Page 2, by inserting the following after line
24:
- 12 8. That notwithstanding the provisions of
subsections five (5)
13 and six (6) of this section a qualified organization
may hold not more
14 than one raffle per year at which a merchandise prize
may be awarded
15 if not greater than five thousand dollars in value by
purchase price
16 paid by the organization or donor.
- 17 4. By renumbering the divisions of the amendment.

Filed and adopted
February 28, 1973

By KINLEY and GLUBA

S-173

- 1 Amend Senate File 108, page 2, by inserting the following
2 after the period in line 35: "Qualified organization
shall
3 include a person or persons who seek to raise funds for
4 use benefiting a definite number of persons who are the
5 victims of loss of home or household possessions through
6 explosion, fire, flood, or storm and the loss is
uncompen-
7 sated by insurance; and, also, uses benefiting a definite
8 number of persons suffering from a seriously disabling
9 disease or injury causing severe loss of income or
10 incurring extraordinary medical expense which is
uncompen-
11 sated by insurance."

Filed, amended, lost
February 28, 1973

By PRIEBE

S-175

Division S-175A

1 Amend Senate File 108 as follows:

2 1. Page 2, line 25, by adding the words "labor union
3 or any" after the word "any".

Division S-175B

4 2. Page 2, line 26, by adding the words "political
5 party as defined in section forty-three point two (43.2)
6 of the Code and any" after the word "any".

Filed,
division S-175A lost
division S-175B lost
February 28, 1973

By GLUBA

S-177

1 Amend S-173 to Senate File 108, filed February 28,
1973

2 as follows:

3 1. Line 6, by inserting following the word "is" the
word
4 "largely".

5 2. Line 10, by inserting following the word "is" the
word
6 "largely".

Filed and withdrawn
February 28, 1973

By MILLER

S-259

1 Amend Senate File 108 as follows:

2 1. Page 2, by adding after line 35 the following new
3 section:

4 Sec. ____ NEW SECTION. LICENSING. The department of
5 revenue shall license persons to operate or conduct games
6 skill, games of chance, raffles and bingo games. A license
7 fee of ten dollars shall be charged and the license shall
8 valid for one year. A person shall not operate or conduct
9 game of skill, a game of chance, raffle or bingo game
10 he is licensed by the department of revenue and prominently
11 displays the license at the place of operation.

12 2. By renumbering the bill sections to conform with
13 amendment. this

S-259 Filed *Adopted an amendment by* By LAMBORN and GLENN
March 19, 1973 *6-26-73*

1 Amend Senate File 108, as follows:

2 1. Page 4, by adding after line 34, the following

3 sections:

4 Sec. . Section four hundred twenty-two point forty-
5 three (422.43), unnumbered paragraphs two (2) and three (3),
6 Code 1973, are amended to read as follows:

7 There is hereby imposed a tax of three percent upon the
8 gross receipts derived from the operation of all forms of
9 amusement devices and games of skill, games of chance,
10 raffles and bingo games as defined in this Act, and commer-
11 cial amusement enterprises operated or conducted within the
12 state of Iowa, such tax to be collected from the operator in
13 the same manner as is provided for the collection of taxes
14 upon the gross receipts of tickets or admission as provided
15 in this section.

16 The tax thus imposed shall cover all receipts from the
17 operation of games of skill, games of chance, raffles and
18 bingo games as defined in this Act, and musical devices,
19 weighing machines, shooting galleries, billiard and pool
20 tables, bowling alleys, pinball machines, slot-operated
21 devices selling merchandise not subject to the general sales
22 taxes and on all receipts from devices or systems where
23 prizes are in any manner awarded to patrons and upon the
24 receipts from fees charged for participation in any game or
25 other form of amusement, and generally upon the gross receipts

Page 2

1 from any source of amusement operated for profit not speci-
2 fied herein, and upon the gross receipts from which no tax is
3 collected for tickets or admission, but no tax shall be im-
4 posed upon any activity exempt from sales tax under the pro-
5 vision of subsection 4 of section 422.45. Every person re-
6 ceiving gross receipts from the sources as defined in this
7 section shall be subject to all provisions of this division
8 relating to retail sales tax and such other provisions of
9 this chapter as may be applicable.

10 Sec. . Sections four hundred twenty-two point forty-
11 five (422.45), subsection three (3), Code 1973, is amended
12 to read as follows:

13 3. The gross receipts from sales of educational reli-
14 gious, or charitable activities, where the entire proceeds
15 therefrom are expended for educational, religious, or char-
16 itable purposes, except the gross receipts from games of
17 skill, games of chance, raffles and bingo games as defined in
18 this Act.

19 2. By renumbering the bill sections to conform with this
20 amendment.

S-263

1 Amend Senate File 108 by adding the following after
2 line 7 on page 6:
3 Sec. Chapter seven hundred twenty-six (726),
4 Code 1973, is amended by adding the following new section:
5 NEW SECTION. Natural persons shall be exempt from
6 prosecution and punishment under this chapter, chapter
7 seven hundred thirteen (713) and sections ninety-nine
8 point one (99.1) and three hundred sixty-eight point
9 seven (368.7), of the Code, for any game, wager or
10 transaction which is incidental to a bonafide social
11 relationship, is participated in by natural persons
12 only, and in which no person is participating, directly
13 or indirectly, in professional gambling by accepting
14 or offering to accept, for profit, any money, credits,
15 deposits or other thing of value risked in gambling
16 or any claim to or interest therein.

S--263 Filed - *Adopted as amended* By GLENN
March 20, 1973 *By 272 3/21*

S--272

1 Amend the Glenn amendment S--263 to Senate File
2 108 as follows:
3 Lines 7 and 8 by striking the words "and sections
4 ninety-nine point one (99.1) and", and inserting in
5 lieu thereof the words "and section".

FILED AND ADOPTED By GENE W. GLENN
MARCH 21, 1973

S-170

1 Amend S-81 to Senate File 108, by Committee on
2 February 15, 1973, as follows: Judiciary, filed
3 1. Page 2, by striking line 21 and the words "or
4 not exceed" in line 22 and by inserting in lieu thereof raffle shall
5 "6. A cash prize or the purchase price paid by the the following:
6 any merchandise prize shall not exceed". operator for

Filed and adopted By KELLY
February 28, 1973

S-167

1 Amend Judiciary Committee amendment S-81 filed February
2 to Senate File 108 as follows: 15
3 1. Page 1, line 19, by inserting after the word
4 the following: "to be operated by qualified "raffles"
organizations".

Filed and lost
February 28, 1973

By PLYMAT and BLOUIN

1 Amend Senate File 108 as follows:

2 1. Page 2, by inserting in line 27 before the word
"recognized"
3 the words "incorporated under chapter five hundred four
4 (504) or chapter five hundred four A (504A), Code 1973,
or".

5 2. Page 3, by striking from line 5 the words "fifty
6 cents" and inserting in lieu thereof the words "one
dollar".

7 3. Page 3, by striking from line 18 the words "fifty
cents"
8 and inserting in lieu thereof the words "one dollar".

9 4. Page 3, by striking lines 21 and 22, and renumbering
10 the remaining subsection.

11 5. Page 3, by striking lines 25 through 35, and page 4
12 by striking lines 1 through 22 and inserting in lieu
thereof

13 the following:

14 "Sec. 4. NEW SECTION. CIVIC CELEBRATIONS AND
AMUSEMENT
15 PARKS.

16 The city or town council of any city or town, or the
17 county board of supervisors with respect to any

unincorporated area within the county, may by resolution authorize
18 games

19 of skill, games of chance and raffles at any amusement
park,

20 or at any carnival, bazaar, centennial or celebration
sponsored

21 by any bona fide civic group, service club or merchants
group

22 provided:

23 1. That games of skill and games of chance shall be
24 subject to the same restrictions as provided in section
two

25 (2), subsections one (1) through six (6), of this Act,
and

26 2. That raffles shall be subject to the same
restrictions

Page 2

1 as provided in section three (3), subsections one (1)
through
2 four (4), of this Act.

3 Sec. 5. NEW SECTION. QUALIFIED ORGANIZATIONS.

4 of skill, games of chance, and raffles may be conducted
Games
by

5 all other qualified organizations, provided:
6 1. No person except a bona fide member, employee,
7 student, or parent or guardian of a student, or a qualified
8 organization may participate in the management or operation
9 of a game or raffle, and
10 2. No person may receive any remuneration or profit
11 for participation in the management or operation of a game
12 or raffle, and
13 3. A game or raffle may not be conducted on rented
14 premises unless the premises are rented from a qualified
15 organization, and
16 4. The entire net proceeds are devoted exclusively to
17 the lawful purposes of the qualified organization and do
18 inure to the benefit of any individual, and not
19 5. The cost of play or chance of any game of skill,
20 game of chance, or raffle shall not exceed one dollar, and
21 6. The aggregate value of any prize in any single
22 or raffle shall not exceed twenty-five dollars, and game
23 7. The outcome or winner of a game is not controlled
24 by the operator.

Filed - *Adopted as amended by 140, 172, 176 2/27* By COMMITTEE ON JUDICIARY
February 15, 1973

S-90

1 Amend Senate File 108, page 6, by adding after line 7
2 the following new section:
3 Sec. _____. This Act, being deemed of immediate impor-
4 tance, shall take effect and be in force from and after
5 its publication in The Telegraph-Herald, a newspaper
6 published in Dubuque, Iowa, and in the Ankeny Press-
7 a newspaper published in Ankeny, Iowa. Citizen,

Filed - *Adopted 2/28* By WILLITS and BLOUIN
February 16, 1973

S-86

1 Amend the Committee on Judiciary amendment to Senate
2 108, as it appears on pages 325 and 326 of the Senate
3 as follows: File
4 1. Page 2, line 5, by striking the words "all other".
5 2. Page 2, line 22, by adding the following after the
6 word "and":
7 "in raffles and games of bingo or similar games of
8 the total aggregate value of prizes awarded shall not be
9 than the value of fifty percent of the gross receipts for
10 raffle or game, and". less the

Filed - *Withdrawn 2/28* By KINLEY
February 16, 1973

S-112

1 Amend the Judiciary Committee Amendment S-81 filed
2 February 15 to Senate File 108 as follows:
3 1. Page 1, by inserting the following after line 6:
4 "3. Page 3, by inserting the following after line
5 15:
6 '7. The game of chance known as bingo or any
7 similar
8 game of chance shall not be operated by any person
9 except
10 a qualified organization and shall be subject to the
11 restrictions provided in section five (5), subsections
12 one (1), two (2), four (4), five (5), six (6) and seven
13 (7) of this Act.' "
14 2. Page 2, by adding the following after line 2:
15 "3. That the game of chance known as bingo or any
16 similar game of chance shall not be operated by any
17 person except a qualified organization and shall be
18 subject to the restrictions provided in section five
19 (5),
20 subsections one (1), two (2), four (4), five (5), six
21 (6) and seven (7) of this Act."

Filed - *Withdrawn 2/28*
February 20, 1973

By BLOUIN

S-122

1 Amend Senate File 108 as follows:
2 1. Page 4, line 32, by inserting the word
3 "UNNUMBERED"
4 after the word "NEW".
5 2. Page 4, by adding the following after line 34:
6 "Sec. 8. Section ninety-nine A point one (99A.1),
7 Code 1973, is amended by adding the following new
8 unnumbered
9 paragraph:
10 NEW UNNUMBERED PARAGRAPH. Gambling device does not
11 include any device or machine used in accordance with
12 this Act."
13 3. Page 5, line 3, by inserting the word
14 "UNNUMBERED"
15 after the word "NEW".
16 4. Page 5, line 8, by inserting the word
17 "UNNUMBERED"
18 after the word "NEW".
19 5. Page 5, line 14, by inserting the word
20 "UNNUMBERED"
21 after the word "NEW".
22 6. Page 5, line 22, by inserting the word
23 "UNNUMBERED"
24 after the word "NEW".
25 7. Page 5, line 28, by inserting the word
26 "UNNUMBERED"
27 after the word "NEW".
28 8. Page 5, line 34, by inserting the word
29 "UNNUMBERED"
30 after the word "NEW".
31 9. Page 6, line 5, by inserting the word
32 "UNNUMBERED"
33 after the word "NEW".
34 10. By renumbering the bill sections.

Filed - *Adopted 2/28*
February 21, 1973

By LAMBORN

S-87

1 Amend Senate File 108 as follows:
2 1. Page 4, by inserting the following new section after
3 line 29:
4 "Sec. _____. NEW SECTION. Notwithstanding the
5 provisions
6 of section ninety-nine point one (99.1) and chapter seven
7 hundred twenty-six (726) of the Code, it shall be lawful
8 for
9 any person to own, operate, or play mechanical or
10 electronic
11 recreational devices even though the machine or device
12 awards
13 free games or one or more additional balls or shots upon
14 attaining a certain score. These machines and devices
are
not lawful under this section if they award or are played
for cash or merchandise prizes."
2. By renumbering the bill sections to conform to
this
amendment.

Filed - *Adapted as amended by 124 2/23* By KINLEY and LAMBORN
February 16, 1973

S-96

1 Amend S-81 to Senate File 108, by Committee on
2 Judiciary, filed
3 February 15, 1973 as follows:
4 1. Page 2, line 5, by striking the words "all other".
5 2. Page 2, by striking lines 21 and 22 and inserting
6 in
7 lieu thereof the following:
8 "6. A cash prize and the purchase price paid by the
9 operator
10 for any merchandise prize shall not exceed twenty-five
11 dollars.
12 In raffles and games of bingo or similar games of chance
13 the value
14 of cash prizes awarded or the aggregate purchase price paid
by the
operator for merchandise prizes awarded shall not be less
than fifty
percent of the gross receipts for the raffle or game, and".

Filed - *Withdrawn 2/25* By KINLEY
February 19, 1973

S-124

1 Amend S-87 to Senate File 108, by Kinley and Lamborn,
2 filed
3 February 16, 1973, line 5 by inserting before the word
4 "and"
5 the words "and chapter ninety-nine A (99A)".

Filed - *Adapted 2/27* By LAMBORN and KINLEY
February 21, 1973

S-140

1 Amend the Judiciary Committee amendment S-81 filed
2 February 15 to Senate File 108 as follows:
3 1. Page 1, by inserting the following after line
4 "5. Page 3, line 24, by striking the word "twenty-
5 five" and inserting in lieu thereof the words "one
6 hundred".
7 2. By renumbering the remaining division of the
8 amendment.
9 3. Page 2, line 22, by striking the word "twenty-
10 five" and inserting in lieu thereof the words "one
11 hundred".

Filed - *Adopted 2-22-73*
February 22, 1973

By KINLEY and SCHABEN

S-158

1 Amend Senate File 108, page 6, by adding after line 7
2 the following new section.
3 Sec. ____ . NEW SECTION. The gross receipts derived
4 the provisions of this Act shall be subject to sales tax
5 notwithstanding the exemption granted by section four
6 twenty-two point forty-five (422.45), subsection three
7 the Code. The director of revenue shall administer the
8 tax on these gross receipts in accordance with section
9 four hundred twenty-two point forty-two (422.42) through
10 section four hundred twenty-two point fifty-nine (422.59)
11 of the Code, and prescribe forms for the reporting of
12 receipts pursuant to this Act.

Filed - *Last 2/28*
February 27, 1973

By SHAFF

S-169

- 1 Amend S-81 by the Committee on Judiciary filed Febru-
2 ary 15, 1973, as follows:
3 1. Page 1, by inserting the following after line 10.
4 5. Page 3, by inserting the following after line 24:
5 5. That notwithstanding subsections one (1) and four
6 (4) a fair may hold not more than one raffle per year
7 at which the prize may not be greater than five thousand
8 dollars or merchandise of equal value by purchase price
9 paid by the fair.
10 2. Page 2, line 2, by striking the following "four
11 (4)" and inserting in lieu thereof the following "five
12 (5)".
13 3. Page 2, by inserting the following after line
14 24:
15 8. That notwithstanding the provisions of subsections
16 five (5) and six (6) of this section a qualified organiza-
17 tion may hold not more than one raffle per year at which
18 the prize may not be greater than five thousand dollars
19 or merchandise of equal value by purchase price paid by
20 the organization or donor.
21 4. By renumbering the divisions of the amendment.

Filed and withdrawn
February 28, 1973

By KINLEY and GLUBA

S-165

- 1 Amend Senate File 108, page 4, by inserting the following
2 new section after line 29, and renumbering the remaining
sections.
3 Sec. ____ . NEW SECTION. Section one hundred twenty-
4 three point forty-nine (123.49), subsection two (2),
5 Code 1973, is amended by adding the following new
6 unnumbered paragraph:
7 NEW UNNUMBERED PARAGRAPH. This subsection shall not
8 apply to any person or club who operates or conducts any
9 device, game or raffle pursuant to the provisions of this
10 Act.

Filed - *adopted 2/28*
February 27, 1973

By LAMBORN

S-166

- 1 Amend Judiciary Committee amendment S-81 filed February
2 to Senate File 108, page 2, by adding after line 24 the
3 following new subsection:
4 "8. Subsections one (1), two (2), and three (3) do
5 not apply where the game of chance is bingo or any
6 game by another name." similar

Filed and withdrawn
February 28, 1973

By GLUBA

HOUSE CLIP SHEET

Thursday, May 17, 1973

SENATE FILE 108

H-522

1 Amend Senate File 108 by striking everything
2 after the enacting clause and inserting the follow-
3 ing in lieu thereof:

4 Section 1. Section seven hundred twenty-six
5 point three (726.3), Code 1973, is amended to pro-
6 vide as follows:

7 If any person play at any game for any sum of
8 money or other property of any value, or make any
9 bet or wager for money or other property of value,
10 he shall be guilty of gambling, a misdemeanor, ex-
11 cept in the following specific instances:

12 1. The following games which have historically
13 and customarily been played at fairs, carnivals,
14 churches or schools, shall not be deemed gambling
15 where the consideration paid to play does not ex-
16 ceed the sum of fifty cents per game, the value of
17 the prize does not exceed twenty-five dollars per
18 game and the games are played only at the times and
19 places, and in accordance with the limitations and
20 conditions set out in subsections 4, 5, 6 and 7:

21 a. "Hoop-la", "horseshoe" or "ring toss"
22 games in which the player attempts to pitch a
23 horse shoe, ring or hoop onto, around or over
24 a wooden block, stake or peg device, bottle,
25 prize or other object.

26 b. "Balloon dart" or other dart or bow and
27 arrow games in which the player attempts to
28 break one or more balloons or to hit a target
29 by throwing a dart or other object or shooting
30 an arrow.

31 c. "Penny pitch", "bear pitch" or "glass
32 pitch" games in which the player attempts to
33 pitch coins or objects into or upon designated
34 areas, marked spots, plates, dishes or other
35 objects.

36 d. "Basketball shoot" games in which the
37 player attempts to throw a basket ball through
38 a basket or hoop.

39 e. "Football throw" games in which the
40 player attempts to throw a football to a target
41 or through the opening of a particular object
42 which target or object may be moving.

43 f. "Baseball pitch" games in which the
44 player attempts to hit or knock off a target
45 such as a stuffed animal, bottle or other
46 object by throwing the ball.

47 g. "Shooting gallery" games in which the
48 player uses a gun in an attempt to hit a target
49 or to shoot out a particular area of a target.

50 h. "Bingo", "lotto", "keno", "tic-tac-toe"
51 or similar games in which two or more players,
52 each with a card or board containing several
53 rows with numbers or holes, attempt to line up,
54 punch out or cover a row of holes or numbers,
55 with corn, balls or markers, or by punching
56 holes in the card, as the numbers are called
57 or chosen by some lottery device or by throwing
58 a ball on signal. The winner is the first per-
59 son able to so completely cover a row, horizon-
60 tally, vertically or diagonally, and to shout
61 "bingo", "keno", "I got it" or some other
62 designated exclamation.

63 i. "Shooting waters" games in which two
64 or more players compete, each attempting to
65 shoot water into a tube, forcing a ball up and
66 out of the tube.

67 j. "Huff and puff" balloon games in which
68 two or more contestants attempt to inflate a
69 balloon to the breaking point, regulating the
70 air flow by directing a ball into a fast or
71 slow slot.

72 k. "Dragline" games in which the player
73 maneuvers a claw or dragline device to pick up
74 various objects as prizes.

75 l. "Fool the guesser" games in which a
76 person attempts to guess another's age or weight
77 or to guess some other physical fact such as the
78 number of beans in a jar.

79 m. Pure "lottery" or "raffle" games in
80 which a participant or player buys a ticket
81 with a number thereon, or upon which his name
82 is written, and which ticket is placed in a
83 receptacle with the tickets purchased by other
84 participants or players. Prizes are awarded
85 to one or more of those whose names or numbers
86 are drawn by lot from the receptacle.

87 n. "Fish pond" or "Duck pond" games where
88 the player angles for a wooden or plastic fish
89 or duck, or some other object.

90 o. "High striker", "binger" or "hand
91 striker" games where the player strikes a lever
92 with a hammer or maul, or with his fist or other
93 object, propelling a sliding weight up a track
94 to ring a bell at the top.

95 p. "Dunk'em" games in which the player
96 throws a ball at a target, which if hit releases
97 a suspended platform causing the person sitting
98 on the platform to fall into a tank of water.

99 q. "Cakewalk" or "musical chair" games in
100 which several players walk or run around chairs,
101 cakes or prizes arranged so that a winner or
102 loser is determined by a system which stops him
103 adjacent to the prize or in a place where he
104 is unable to find a chair in which to sit.

105 2. In any golf or billiard game, tennis match,
106 foot race or other athletic contest requiring
107 muscular coordination, strength, physical stamina,
108 a keen eye or a steady hand, the participants may
109 wager amounts not to exceed five dollars per game
110 upon themselves or upon the team of which they are
111 members, unless they are players in scheduled
112 events at which spectators must pay to watch; pro-
113 vided, however, that no such games shall be played
114 at any carnival or in the midway area at any fair.

115 3. Athletic contests, races or tournaments, or
116 cooking, hobby, livestock, animal or poultry ex-
117 hibitions, in which a participant pays an entry
118 fee for the opportunity to win a prize; provided
119 that no such shall be allowed at any carnival or
120 on the midway of any fair.

121 4. Except in penny pitch, bear pitch or glass
122 pitch games, as described in subsection one (1),
123 paragraph "c", where the prize may be a coin or
124 coins equivalent or greater than the one pitched,
125 no prize at any fair or carnival game shall be
126 paid in cash or thereafter sold, exchanged or con-
127 verted to cash at said fair or carnival; nor shall
128 any prize be paid to play any game except in the
129 aforesaid "pitch" games. No doubling or pyramid-
130 ing of bets or considerations to play shall be
131 permitted.

132 5. The monetary limitations to the value of
133 the prize, and the consideration paid for a chance
134 to play, shall not apply to the lottery or raffle
135 games referred to in subsection one (1), paragraph
136 "m", when such games are conducted by a municipal
137 chamber of commerce, a post of a nationally char-
138 tered military veterans' organization, a nonprofit
139 fraternal organization or by a state, county, or
140 district fair, provided the prize does not exceed
141 five thousand dollars, the consideration paid for
142 the chance does not exceed five dollars and no more
143 than ten such lotteries are conducted by any of
144 said organizations in any single year.

145 6. The games mentioned in subsection one (1)
146 of this section shall not be excepted from the
147 gambling statute where applicable unless played

148 between the hours of 9:00 a.m. and midnight, on
149 premises owned or rented by, and as an activity of,
150 or under the auspices of, any:

151 a. State, district or county fair board
152 at a fair or exposition conducted pursuant to
153 the terms of chapters 173 or 174 of the Code,
154 or

155 b. Governmental organization, nonprofit
156 organization, or bona fide religious or apos-
157 tolic organization provided such organization
158 maintains an established office or place of
159 worship in this state, or

160 c. An amusement park maintaining no
161 fewer than five rides and similar amusement
162 devices housed in substantial permanent-type
163 buildings, or

164 d. Any organized, traveling carnival con-
165 sisting of no fewer than five rides, shows and
166 games and showing at not to exceed ten days per
167 year at any one location.

168 7. Any person who conducts, manages or oper-
169 ates any of the games excepted in subsection one
170 (1), at a fair, carnival or amusement park, shall
171 place near the front or playing area of the game a
172 sign at least thirty inches by thirty inches, with
173 permanent-type material and lettering, stating at
174 the top in letters at least three inches high:
175 "Rules of the Game". Thereunder there shall be set
176 forth in large, easily readable print, the name of
177 the game, the price to play the game, the complete
178 rules for the game and the name and permanent address
179 of the owner of the game.

180 Regardless of who conducts, manages or operates
181 any game excepted, no concealed numbers and no con-
182 version charts may be used to play any of said games
183 and no game may be rigged with any control devices,
184 levers, rods, wires, hydraulic, pneumatic, or elec-
185 trical connections, other than lights, which permit
186 manipulation of the game by the operator to prevent
187 a player from winning or to predetermine who the
188 winner will be. In every such game, the object
189 target, block or object of the game must be attain-
190 able and possible to perform under the rules stated
191 from the playing position of the player. No prize
192 shall be displayed that cannot be won.

193 8. A violation of any condition or limitation
194 provided in this section shall be punished as
195 gambling.

196 Sec. 2. Section five hundred thirty-seven
197 point four (537.4), Code 1973, is amended to provide
198 as follows:

199 Gaming contracts void. All promises,
200 agreements, notes, bills, bonds, or other con-
201 tracts, mortgages or other securities, when

202 the whole or any part of the consideration
203 thereof is for money or other valuable thing
204 won or lost, laid, staked, or bet, at or upon
205 any game of any kind or on any wager, are ab-
206 solutely void and of no effect unless the con-
207 sideration, stake, bet or wager is made under
208 an exception to gambling as provided in section
209 726.3.

210 Sec. 3. Section seven hundred twenty-six point
211 one (726.1), Code 1973, is amended by adding the
212 following new paragraph:

213 NEW PARAGRAPH. Provided that nothing herein
214 shall prohibit any person from keeping any
215 place resorted to for the purpose of playing
216 any game clearly within the exceptions to the
217 prohibition against gambling as set out in
218 section 726.3.

219 Sec. 4. Section seven hundred twenty-six
220 point five (726.5), Code 1973, is amended to pro-
221 vide as follows:

222 Possession of gambling devices prohibited.
223 No one shall, in any manner or for any
224 purpose whatever, except under proceeding
225 to destroy the same, have, keep, or hold
226 in possession or control any roulette
227 wheel, klondyke table, poker table, pouch-
228 board, faro, or keno layouts or any other
229 machines used for gambling, or any slot
230 machine or device with an element of
231 chance attending such operation unless the
232 same is kept for use as a game under the
233 exceptions to gambling set forth in section
234 726.3.

235 Sec. 5. Section one hundred twenty-three point
236 forty-nine (123.49), subsection two (2), subsection
237 a., Code 1973, is amended to read as follows:

238 "a. Knowingly permit any unlawful gaming,
239 gambling, solicitation for immoral purposes, or im-
240 moral or disorderly conduct on the premises covered
241 by the license or permit."

242 Section 6. Section ninety-nine A point one
243 (99A.1), Code 1973, is amended by adding the fol-
244 lowing new unnumbered paragraph:

245 **NEW UNNUMBERED PARAGRAPH. Nothing in this
246 section shall be construed to include any device,
247 game or raffle or any device used in any game or
248 raffle when it is operated or conducted pursuant to
249 the provisions, conditions and limitations of
250 Chapter 726.

EXPLANATION

This amendment is an alternative approach for Senate File 108 and eliminates the necessity of having to determine whether a game is one of "skill" or "chance", a subject to which hundreds of Supreme Court cases have been devoted. The bill would allow many of the historical and customary fair and carnival games, including bingo, to be played under carefully prescribed and regulated circumstances which the attorney general believes law enforcement officers would find a great deal easier to understand and enforce. The list includes all of the fair and carnival games except one, which were the subject of litigation in the courts last year, and many in addition. But some carnival games involving the use of dice, mice, colored blocks, cards or wheels of fortune are deliberately left out as "hard core" gambling.

The bill also allows exceptions for gambling on athletic contests, tournaments, etc., in situations generally considered as harmless and which are universally played by an overwhelming number of good citizens who simply wink at the law. It also contains special limited provisions for lotteries conducted by municipal chambers of commerce, veterans organizations, nonprofit fraternal organizations, or by state, county or district fairs, provided the prize does not exceed five thousand dollars and no more than ten such lotteries are conducted by any of said organizations in a single year.

1 Amend the Committee on Judiciary and Law Enforce-
2 ment amendment H-428 to Senate File 108 as follows:

3 1. By inserting the following after line 5:
4 _____ Page 2A, lines 13 and 14, by striking the
5 sentence "Game of chance does not include a slot
6 machine." and inserting in lieu thereof the following:

7 "Game of chance" does not include any game or
8 activity in which a slot machine, roulette wheel, dice,
9 playing cards, punchboard, or any similar device is
10 used.

11 2. By striking lines 6 through 8 and inserting
12 in lieu thereof the following:

13 2. Page 2A, line 17, by inserting the following
14 after the period:

15 "Raffle" does not include any lottery or activity
16 in which a slot machine, roulette wheel, dice, playing
17 cards, punchboard, or any similar device is used.

18 3. Line 110 and line 112, by striking the word
19 "proceeds" and inserting in lieu thereof the word
20 "receipts".

21 4. By striking lines 116 through 118 and insert-
22 ing in lieu thereof the following:

23 2. No person receives or has any fixed or con-
24 tingent right to receive, directly or indirectly, any
25 profit, remuneration, or compensation from or related
26 to a game of skill, game of chance, or raffle, except
27 any amount which he may win as a participant on the
28 same basis as the other participants. Persons operating
29 or managing a game or raffle shall not be participants
30 in the game or raffle.

31 5. By inserting the following after line 264:

32 6. No participant, sponsor, or promoter has
33 within the preceding twelve months received, directly
34 or indirectly, any profit, remuneration, or compensa-
35 tion within or without this state from any kind of
36 illegal gambling or from any legal gambling, including
37 but not limited to the games and activities permitted
38 by this Act, except any amount which he may win as a
39 participant on the same basis as the other participants.

40 7. If a wager, bet, or pool relates to an
41 athletic event or contest for which spectators pay any
42 admission fee or charge or which is authorized or
43 sponsored by one or more schools, educational institu-
44 tions, or interscholastic athletic organizations, no
45 person participating in the wager, bet, or pool is a
46 player or contestant in the athletic event or contest.

47 8. The game or activity does not take place on
48 the grounds or premises of a fair while any game or

House 6
May 16, 1973

49 raffle permitted by section 3 or 4 of this Act is
50 being conducted, does not take place at an amusement
51 park while any game permitted by section 5 of this Act
52 is being conducted, and does not take place on any
53 premises where any game or raffle permitted by section
54 6 or section 7 of this Act is being conducted at the
55 same time.

56 9. No participant wins or loses more than a
57 total of five hundred dollars in all games and activi-
58 ties permitted by this section during any period of
59 twenty-four consecutive hours.

60 6. Lines 265 and 266, by striking the words
61 "If subsection two (2), three (3), four (4), or five
62 (5)" and inserting in lieu thereof the following:
63 "If any provision of subsections two (2) through
64 nine (9)".

H-516 Filed *3-2-73* By STANLEY of Muscatine
May 15, 1973 *6-1-73* GRASSLEY of Butler
5/16

H-520

1 Amend the Committee on Judiciary and Law Enforce-
2 ment amendment, H-428, to Senate File 108, as follows:

3 1. By striking lines 6 through 8 and inserting in
4 lieu thereof the following:

5 2. Page 2A, line 14, by striking the words "does
6 not include" and inserting in lieu thereof the word
7 "includes".

8 2. By striking lines 185 through 191 and inserting
9 in lieu thereof the following:

10 20. Page 4B, by striking lines 38 through 42 and
11 inserting in lieu thereof the following: "or other
12 device, contrivance, or machine which, upon insertion
13 of a coin, token or similar object therein, or upon
14 payment of any consideration, is available to play
15 or operate, the play or operation of which, whether
16 by reason of the skill of the operator or application
17 of the element of chance, or both, may deliver or
18 entitle the person playing or operating the machine
19 to receive cash, premiums, merchandise, tokens or
20 anything of value, whether the payoff is made auto-
21 matically from the machine or in any other manner.
22 Proceeds derived from machines lawful under this sec-
23 tion are not required to be dedicated as provided in
24 section six (6) of this Act. The cost of play shall
25 not exceed one dollar and payoffs shall not exceed
26 one hundred dollars in cash or retail value of
27 merchandise."

H-520 Filed *5/15/74*
May 15, 1974

By FREEMAN of Buena Vista

H--517

- 1 Amend Senate File 108, as passed by the Senate
- 2 and reprinted, as follows:
- 3 1. Page 3A, line 11, by inserting the following
- 4 after the word "game":
- 5 "and the game is conducted in a fair and honest
- 6 manner".
- 7 2. Page 3A, by inserting the following new
- 8 subsections after line 15:
- 9 "7. The net receipts of the game are dedicated
- 10 as provided in section 6, subsection 1, of this Act.
- 11 However, dedication to the uses of the authorizing
- 12 fair shall be regarded as a civic use for the purposes
- 13 of this subsection.
- 14 "8. No person receives or has any fixed or con-
- 15 tingent right to receive, directly or indirectly, any
- 16 profit, remuneration, or compensation from or related
- 17 to a game of skill, game of chance, or raffle, except
- 18 any amount which he may win as a participant on the
- 19 same basis as the other participants. Persons
- 20 operating or managing a game or raffle shall not be
- 21 participants in the game or raffle."
- 22 3. Page 5B, line 45, by inserting after the
- 23 word "used" the word "only".
- 24 4. Page 6, by striking lines 3 through 5 and
- 25 inserting in lieu thereof the following:
- 26 "NEW UNNUMBERED PARAGRAPH. This section shall
- 27 not apply to a contract for the operation of or for
- 28 the sale or rental of equipment for games of skill or
- 29 games of chance, if both the contract and the games
- 30 are in compliance with this Act."
- 31 5. Page 7A, by inserting the following new
- 32 section after line 20:
- 33 "Sec. _____. NEW SECTION. This Act is intended
- 34 to permit only the games and activities expressly
- 35 authorized by this Act, and shall be strictly con-
- 36 strued to carry out its intent."
- 37 6. Renumbering the remaining sections.

H--517 Filed *4/26 adopted 5/1* By STANLEY of Muscatine
May 15, 1973 *2, 3, 5 laws* GRASSLEY of Butler

H--525

- 1 Amend the Branstad and Bennett amendment
- 2 H-522 to Senate File 108, page 7, subsection 5,
- 3 line 5 by adding after the word "by" the following:
- 4 "a volunteer fire Department,".

H--525 Filed and withdrawn By HUTCHINS of Guthrie
May 16, 1973

- 1 Amend the Stanley, Grassley amendment H-516I to
- 2 the Committee on Judiciary and Law Enforcement amend-
- 3 ment H-428, to Senate File 108, by striking from line
- 4 64 the following: "nine (9)" and inserting in lieu
- 5 thereof the following: "seven (7)".

Filed May 16, 1973 and By STANLEY of Muscatine
adopted by suspension
of the rules.

H-523

1 Amend the Committee on Judiciary and Law Enforce-
2 ment amendment H-428 to Senate File 108 by inserting
3 after the period in line 100 the following: "Public
4 uses specifically includes dedication of net receipts
5 to political parties as defined in section forty
6 three point two (43.2) of the Code."

H-523 Filed and adopted By HORN of Linn
May 16, 1973

1 Amend the Stanley, Grassley amendment H-516F to
2 the Committee on Judiciary and Law Enforcement amend-
3 ment H-428, to Senate File 108, by inserting at the
4 end of line 45 the following: "coach, official,".

Filed May 16, 1973 and By STANLEY of Muscatine
adopted by suspension
of the rules.

H-521

1 Amend the Committee on Judiciary and Law Enforce-
2 ment amendment H-428, to Senate File 108, by inserting
3 in line 247 after the word "relationship" the follow-
4 ing: "and is not conducted in whole or in part on or
5 in any property subject to chapter two hundred and
6 ninety-seven (297) of the Code, relating to school
7 houses and school house sites".

H-521 Filed and adopted By OAKLEY of Clinton
May 16, 1973

H-514

1 Amend the Committee on Judiciary and Law Enforce-
2 ment amendment as follows:
3 1. By adding a period (.) after the figure "15"
4 in line 49 and striking the rest of line 49 through
5 55.
6 2. By striking lines 110 through 115.
7 3. By striking lines 131 through 143 and insert-
8 ing in lieu thereof the following:
9 4. That the outcome or winner of a game is not
10 controlled by the operator.
11 4. By renumbering the sections as necessary.

H-514 Filed *5/15/73* By BRINCK of Lee
May 15, 1973

H-513

1 Amend Senate File 108, as amended, passed, and
2 reprinted, as follows:
3 1. By striking all of lines 12 through 17 on
4 page 4A.
5 2. By renumbering as necessary.

H-513 Filed *5/15/73* By BRINCK of Lee
May 15, 1973

H-428

- 1 Amend Senate File 108, as amended, passed, and
- 2 reprinted, as follows:
- 3 1. Page 2A, line 13, by striking the words
- 4 "commonly known" and inserting in lieu thereof the
- 5 word "defined".
- 6 2. Page 2A, by adding the following "Raffle does
- 7 not include a slot machine." after the period on line
- 8 17.
- 9 3. Page 2A, by adding the following after line
- 10 17:
- 11 4. "Bingo" means a game, whether known as bingo,
- 12 or any other name, in which each participant uses
- 13 one or more cards each of which is marked off into
- 14 spaces arranged in horizontal and vertical rows of
- 15 spaces, with each space being designated by number,
- 16 letter, or combination of numbers and letters, no
- 17 two cards being identical, with the players covering
- 18 spaces as the operator of such game announces the
- 19 number, letter, or combination of numbers and letters
- 20 appearing on an object selected by chance, either
- 21 manually or mechanically, from a receptacle in which
- 22 have been placed objects bearing numbers, letters,
- 23 or combinations of numbers and letters corresponding
- 24 to the system used for designating the spaces, with
- 25 the winner of each game being the player or players
- 26 first properly covering a predetermined and announced
- 27 pattern of spaces on a card being used by him or them.
- 28 5. "Gross receipts" means the total revenue
- 29 received from the sale of rights to participate in
- 30 a game of skill, game of chance, or raffle and
- 31 admission fees or charges.
- 32 6. "Net receipts" means gross receipts less reason-
- 33 able expenses, charges, fees and deductions allowed
- 34 by the department of revenue.
- 35 7. "Net rent" means the total rental charge minus
- 36 reasonable expenses, charges, fees and deductions
- 37 allowed by the department of revenue.
- 38 4. Page 2A, by striking lines 22 through 25.
- 39 5. Page 2A, by striking lines 29 through 35.
- 40 6. Page 2B, by striking lines 36 through 41 and
- 41 inserting in lieu thereof the following:
- 42 10. "Qualified organization" means any licensed
- 43 person who dedicates the net receipts of a game of
- 44 skill, game of chance or raffle as provided in section
- 45 six (6) of this Act.
- 46 7. Page 3A, line 3, by striking the word "fairs"
- 47 and inserting in lieu thereof the words "the
- 48 authorizing fair".
- 49 8. Page 3A, by striking lines 14 and 15 and insert-
- 50 ing in lieu thereof the following:

51 6. The actual retail value of any prize does not
52 exceed twenty-five dollars. If a prize consists of
53 more than one item, unit or part, the aggregate retail
54 value of all items, units or parts shall not exceed
55 twenty-five dollars.

56 9. Page 3A, by striking lines 18 through 22 and
57 inserting in lieu thereof the following:

58 1. The raffle shall be subject to the same restric-
59 tions provided for games of skill and games of chance
60 in section three (3), subsections one (1) through
61 six (6) of this Act, and

62 10. Page 3A, line 24, by striking the word and
63 figure "three (3)" and inserting in lieu thereof the
64 words and figures "six (6) of section three (3) of
65 this Act,".

66 11. Page 3A, by striking lines 28 through 35.

67 12. Page 3B, by striking lines 36 through 42 and
68 inserting in lieu thereof the following:

69 Sec. _____. NEW SECTION. AMUSEMENT PARKS. The city
70 or town council of any city or town or the county
71 board of supervisors with respect to any unincorporated
72 area within the county may by resolution authorize
73 games of skill and games of chance at any amusement
74 park provided:

75 1. The amusement park and the persons operating
76 the games of skill and games of chance are licensed
77 pursuant to section two (2) of this Act, and

78 2. The games of skill and games of chance shall
79 be subject to the provisions of section three (3),
80 subsections one (1) through six (6), of this Act.

81 13. Page 3B, line 45, by striking the word "other".

82 14. Page 3B, by striking lines 46 through 55 and
83 inserting in lieu thereof the following:

84 1. The net receipts of the game are dedicated
85 to the awarding of prizes to contestants or
86 participants and to educational, civic, public,
87 charitable, patriotic or religious uses in this state.
88 "Educational, civic, public, charitable, patriotic,
89 or religious uses" means uses benefiting a society
90 for the prevention of cruelty to animals or animal
91 rescue league or uses benefiting an indefinite number
92 of persons either by bringing them under the influence
93 of education or religion or relieving them from
94 disease, suffering, or constraint, or by erecting
95 or maintaining public buildings or works, or otherwise
96 lessening the burden of government but do not include
97 the erection, acquisition, improvement, maintenance,
98 or repair of real, personal or mixed property unless
99 it is used exclusively for one or more of the uses
100 stated.

101 Charitable uses includes uses benefiting a definite
102 number of persons who are the victims of loss of home
103 or household possessions through explosion, fire,
104 flood, or storm and the loss is uncompensated by

105 insurance, and uses benefiting a definite number of
106 persons suffering from a seriously disabling disease
107 or injury, causing severe loss of income or incurring
108 extraordinary medical expense, which is uncompensated
109 by insurance.

110 The net proceeds must be devoted within six months
111 to one or more of the permitted uses. A person
112 desiring to hold the net proceeds for a period longer
113 than six months must apply to the department of revenue
114 for special permission and upon good cause shown the
115 department may grant the request.

116 2. No person may receive any remuneration or
117 profit for participating in the management or operation
118 of a game of skill, game of chance or raffle, and

119 3. Games of skill, games of chance, and raffles
120 shall not be conducted on rented premises unless the
121 premises are rented from a licensed qualified organi-
122 zation and the net rent received is dedicated to one
123 or more of the uses permitted for dedication of net
124 receipts. This subsection shall not apply where the
125 rented premises are those upon which a qualified
126 organization usually carries out a lawful business
127 other than operating games of skill, games of chance
128 or raffles.

129 15. Page 4A, by striking lines 1 through 11 and
130 inserting in lieu thereof the following:

131 4. Cash prizes may be awarded only in the game
132 of bingo and shall not exceed one hundred dollars.
133 Merchandise prizes may be awarded in the game of
134 bingo; however, the actual retail value of the prize,
135 or if the prize consists of more than one item, unit
136 or part, the aggregate retail value of all items,
137 units or parts, shall not exceed one hundred dollars,
138 and

139 5. No cash prizes shall be awarded in games of
140 skill, games of chance, other than bingo, and raffles.
141 The actual retail value of any merchandise prizes
142 shall not exceed twenty-five dollars and may not be
143 repurchased, and

144 6. That games of skill, games of chance and raffles
145 shall be subject to the provisions of section three
146 (3), subsections one (1), two (2), four (4), and five
147 (5), of this Act.

148 16. Page 4A, by striking line 13 and inserting
149 in lieu thereof the following "one (1) of section
150 three (3) of this Act and five (5) of this section
151 a qualified organi-".

152 17. Page 4A, by adding the following after line
153 17:

154 Sec. _____. NEW SECTION. COMPANY GAMES. Games
155 of skill, games of chance, card games and raffles
156 may be conducted provided a bona fide social or
157 employment relationship exists between the sponsors

158 and the participants and the participants pay no
159 consideration of any nature, either directly or
160 indirectly, to participate in the games or raffles,
161 and all money or other items wagered are provided
162 to the participant free, and the sponsor conduct-
163 ing the game or raffle receives no consideration,
164 either directly or indirectly, other than goodwill.

165 17. Page 4A, by adding the following after line
166 24:

167 A misdemeanor under this section is punishable
168 by imprisonment in the county jail for not more than
169 one year or by a fine of not more than one thousand
170 dollars or by both imprisonment and fine.

171 18. Page 4A, by striking lines 25 through 32 and
172 inserting in lieu thereof the following:

173 Sec. ____ . Section one hundred twenty-three point
174 forty-nine (123.49), Code 1973, is amended by adding
175 the following new subsection:

176 NEW SUBSECTION. Subsection two (2), paragraph
177 a, of this section shall not apply to games of skill,
178 games of chance, or raffle conducted pursuant to this
179 Act, or to devices lawful under section nine (9) of
180 this Act or to games lawful under section twenty-one
181 (21) of this Act.

182 19. Page 4B, line 37, by striking the word "recrea-
183 tional" and inserting in lieu thereof the word
184 "amusement".

185 20. Page 4B, by adding the following "or if the
186 machines or devices are equipped with a push button
187 or other device for releasing free games which are
188 not played off and a meter for measuring the games
189 released or a device by which a person may increase
190 his chances of winning free games by inserting
191 additional coins" before the period on line 42.

192 21. Page 4B, by striking lines 45 through 47 and
193 inserting in lieu thereof the following:

194 NEW UNNUMBERED PARAGRAPH. The provisions of this
195 section shall not apply to games of skill, games of
196 chance, or raffles conducted pursuant to this Act
197 or to devices lawful under section nine (9) of this
198 Act or to games lawful under section twenty-one (21)
199 of this Act.

200 22. Page 5B, by adding the following after line
201 46:

202 Sec. ____ . Section three hundred sixty-eight point
203 seven (368.7), Code 1973, is amended by adding the
204 following new subsection:

205 NEW SUBSECTION. Subsections eight (8) and nine
206 (9) of this section shall not apply to games of skill,
207 games of chance or raffles conducted pursuant to this
208 Act and shall not apply to mechanical or electronic
209 amusement devices lawful under section nine (9)
210 of this Act, or games lawful under section twenty-
211 one (21) of this Act.

212 23. Page 6, by adding the following after line
213 5:

214 Sec. _____. Chapter seven hundred thirteen (713),
215 Code 1973, is amended by adding the following new
216 section:

217 NEW SECTION. The provisions of sections seven
218 hundred thirteen point twenty-nine (713.29) through
219 seven hundred thirteen point thirty-three (713.33)
220 of the Code shall not apply to games of skill, games
221 of chance, or raffles conducted pursuant to this Act
222 or to devices lawful under section nine (9) of this
223 Act or to games lawful under section twenty-one (21)
224 of this Act.

225 24. Page 6, by striking lines 6 through 35.

226 25. Page 7A, by striking lines 1 through 7 and
227 inserting in lieu thereof the following:

228 Sec. _____. Chapter seven hundred twenty-six (726),
229 Code 1973, is amended by adding the following new
230 section:

231 NEW SECTION. Sections seven hundred twenty-six
232 point one (726.1) through seven hundred twenty-six
233 point six (726.6), inclusive, and section seven hundred
234 twenty-six point eight (726.8) of the Code shall not
235 apply to games of skill, games of chance and raffles
236 conducted pursuant to this Act and shall not apply
237 to mechanical or electronic amusement devices
238 lawful under section nine (9) of this Act, or games
239 lawful under section twenty-one (21) of this Act.

240 26. Page 7A, by striking lines 10 through 20 and
241 inserting in lieu thereof the following:

242 NEW SECTION. Natural persons may participate in
243 games of skill, games of chance, card games played
244 for money with ordinary playing cards, wagers, bets,
245 pools, or raffles provided:

246 1. The game or activity described in this section
247 is incidental to a bona fide social relationship.

248 2. All participants, sponsors, and promoters of
249 the game or activity are natural persons.

250 3. The game or activity is conducted in a fair
251 and honest manner.

252 4. No person receives or has any fixed or contin-
253 gent right to receive, directly or indirectly, any
254 profit, remuneration, or compensation from or as a
255 result of the game or activity, except any amount
256 which he may win as a participant on the same basis
257 as the other participants.

258 5. No gambling device as defined in section ninety-
259 nine A point one (99A.1) of the Code is used in or
260 for the game or activity, except poker tables, devices
261 required for a game of skill or game of chance as
262 defined in this Act, or tickets, sheets, or writings
263 reasonably necessary for a game or activity permitted
264 by this section.

265 If subsection two (2), three (3), four (4), or
266 five (5) of this section is violated, the game or
267 activity shall be unlawful because of this violation
268 only with respect to any person who knows of or has
269 reasonable grounds to suspect such violation.

270 27. By amending the title, page 1, line 2, by
271 inserting the following ", providing a tax" before
272 the word "and".

273 28. By renumbering the sections and subsections
274 and correcting internal references.

H—226

- 1 Amend Senate File 108 as amended, passed and re-
2 printed by the Senate as follows:
3 1. Page 2A, by striking lines 22 through 28.
4 2. Page 2B, by striking lines 42 through 50 and
5 inserting in lieu thereof the following:
6 Sec. 2. NEW SECTION. COUNTY CONTROL. The county
7 board of supervisors may by resolution authorize games
8 of skill, games of chance and raffles to be conducted
9 at fairs or by qualified organizations. The super-
10 visors may set regulations on the conduct and operation
11 of these games and raffles and may provide for licenses
12 and fees and cost of play. The provisions of section
13 ninety-nine point one (99.1), chapter ninety-nine A
14 (99A) and chapter seven hundred twenty-six (726) of
15 the Code shall not be applicable to games and raffles
16 which are conducted, operated or played in accordance
17 with a resolution adopted pursuant to this section.
18 3. Page 3A, by striking lines 1 through 27.
19 4. Page 3A, line 35, by striking "provided:" and
20 inserting in lieu thereof a period.
21 5. Page 3B, by striking lines 36 through 55.
22 6. Page 4A, by striking lines 1 through 24.
23 7. Page 4B, by striking lines 43 through 47.
24 8. Page 5B, by striking lines 41 through 46.
25 9. Page 6, by striking lines 6 through 35.
26 10. Page 7A, by striking lines 1 through 7.

H—226 Filed - *W.D. 5/16*
March 28, 1973

By BRINCK of Lee

H—440

- 1 Amend the Committee on Judiciary and Law Enforce-
2 ment amendment H-428 to Senate File 108 as follows:
3 1. By adding the following after line 45:
4 7. Page 2B, by adding the following after the
5 period in line 50: "This section shall not apply to
6 company games lawful under section seven (7) of this
7 Act or to games lawful under section twenty-one (21)
8 of this Act.
9 2. By renumbering amendments, sections and
10 correcting internal references.

H—440 Filed - *Adopted 5/16*
May 3, 1973

By HILL of Polk
FISHER of Greene

Do - Judiciary - Law Enforcement - Pass per 428 5/2
Do - Ways & Means 5/2 - Do Pass 5/9

Senate File 108
Hill, Chairman
Edelen
Hennessey
Newhard
Poncy

March 22, 19

SENATE FILE 108

Senate File 108
Hill, Chairman
Doyle
Rapp

By LAMBORN (Fisher of Greene)

ATE AMENDMENTS
WN IN BOLD FACE

(AS PASSED BY THE SENATE)

Passed Senate, Date *3-21-73 (620)* Passed House, Date *5-16-73 (1405)*

Vote: Ayes *33* Nays *13* Vote: Ayes *92* Nays *6*

Approved *5-29-73*

Passed Senate as amended by House

5-25-73
34-9

A BILL FOR

- 1 An Act relating to games of skill, games of chance, raffles
- 2 and providing penalties.
- 3 *Be It Enacted by the General Assembly of the State of Iowa:*

1 Section 1. *NEW SECTION*. DEFINITIONS. As used in **this**
2 Act, unless the context otherwise requires:

3 1. "Game of skill" means a game whereby the result is
4 determined by the player directing or throwing objects to
5 designated areas or targets, or by maneuvering water or an
6 object into a designated area, or by maneuvering a dragline
7 device to pick up particular items, or by shooting a gun or
8 rifle.

9 2. "Game of chance" means a game whereby the result is
10 determined by chance and the player in order to win aligns
11 objects or balls in a prescribed pattern or order or makes
12 certain color patterns appear and specifically includes but
13 is not limited to the game commonly known as bingo. Game
14 of chance does not include a slot machine.

15 3. "Raffle" means a lottery in which each participant
16 buys a ticket for a chance at a prize with the winner
17 determined by a random method.

18 4. "Fair" means an annual fair and exposition held by
19 the Iowa state fair board and any fair held by a county or
20 district fair or agricultural society under the provisions
21 of chapter one hundred seventy-four (174) of the Code.

22 5. "Rented from a qualified organization" includes
23 rented premises upon which a qualified organization usually
24 carries out its lawful business, even though the owner of
25 the premises is not a qualified organization.

26 6. "Authorized" means approved as a concession by the
27 Iowa state fair board or a county or district fair or agri-
28 cultural society holding a fair.

29 7. "Qualified organization" means any public or private
30 elementary or secondary school and any corporation or voluntary
31 association incorporated under chapter five hundred four
32 (504) or chapter five hundred four A (504A), Code 1973, or
33 recognized by the internal revenue service as
34 a nonprofit corporation and exempt from the payment of federal
35 income taxes and listed in section five hundred one (501),

36 subsection (c), paragraphs three (3), four (4), eight (8),
37 ten (10), or nineteen (19), Internal Revenue Code of 1954,
38 as amended, and any bona fide nonprofit religious organization
39 which has been in existence continuously for a period of five
40 years and maintains an established place of worship within
41 this state.

42 **Sec. 2. NEW SECTION. LICENSING.** The department of
43 revenue shall license persons to operate or conduct games
44 of skill, games of chance, raffles and bingo games. A
45 license fee of ten dollars shall be charged and the license
46 shall be valid for one year. A person shall not operate or
47 conduct games of skill, games of chance, raffle or bingo
48 games unless he is licensed by the department of revenue
49 and prominently displays the license at the place of
50 operation.

1 **Sec. 3. NEW SECTION. FAIR GAMES.** Games of skill and
2 games of chance which have been authorized may be operated
3 and played at fairs, provided:

4 1. The game has clearly displayed and specified the cost
5 of play, which shall not exceed one dollar, and an explanation
6 of how the game is played, and

7 2. No prize is displayed which cannot be won, and

8 3. Cash prizes are not awarded and merchandise prizes
9 are not repurchased, and

10 4. The outcome or winner of the game is not controlled
11 by the operator of the game, and

12 5. The game is not operated on a build-up or pyramid
13 basis, and

14 6. The aggregate value of any single prize does not exceed
15 twenty-five dollars.

16 **Sec. 4. NEW SECTION. FAIR RAFFLES.** A fair may conduct
17 raffles, provided:

18 1. The cost of a chance shall not exceed one dollar,
19 and

20 2. No prize is displayed which cannot be won, and

21 3. The aggregate value of any single prize does not exceed
22 one hundred dollars.

23 4. That notwithstanding subsections one (1) and
24 three (3) a fair may hold not more than one raffle per
25 year at which a merchandise prize may be awarded if not
26 greater than five thousand dollars in value by purchase
27 price paid by the fair.

28 **Sec. 5. NEW SECTION. CIVIC CELEBRATIONS AND AMUSE-**
29 **MENT PARKS.** The city or town council of any city or
30 town, or the county board of supervisors with respect to
31 any unincorporated area within the county, may by resolution
32 authorize games of skill, games of chance and raffles at
33 any amusement park, or at any carnival, bazaar, centennial
34 or celebration sponsored by any bona fide civic group, service
35 club or merchants group provided:

36 1. That games of skill and games of chance shall be
37 subject to the same restrictions as provided in section
38 three (3), subsections one (1) through six (6), of this Act,
39 and

40 2. That raffles shall be subject to the same restrictions
41 as provided in section four (4), subsections one (1)
42 through four (4), of this Act.

43 **Sec. 6. NEW SECTION. QUALIFIED ORGANIZATIONS. Games**
44 **of skill, games of chance, and raffles may be conducted by**
45 **all other qualified organizations, provided:**

46 1. No person except a bona fide member, employee,
47 student, or parent or guardian of a student, or a qualified
48 organization may participate in the management or operation
49 of a game or raffle, and

50 2. No person may receive any remuneration or profit
51 for participation in the management or operation of a game
52 or raffle, and

53 3. A game or raffle may not be conducted on rented
54 premises unless the premises are rented from a qualified
55 organization, and

1 4. The entire net proceeds are devoted exclusively
2 to the lawful purposes of the qualified organization and
3 do not inure to the benefit of any individual, and

4 5. The cost of play or chance of any game of skill,
5 game of chance, or raffle shall not exceed one dollar,
6 and

7 6. A cash prize or the purchase prize paid by the
8 operator for any merchandise prize shall not exceed
9 one hundred dollars, and

10 7. The outcome or winner of a game is not controlled
11 by the operator.

12 8. That notwithstanding the provisions of subsections
13 five (5) and six (6) of this section a qualified organi-
14 zation may hold not more than one raffle per year at
15 which a merchandise prize may be awarded if not greater
16 than five thousand dollars in value by purchase price
17 paid by the organization or donor.

18 Sec. 7. *NEW SECTION.* PENALTIES. Any person who con-
19 ducts, manages, operates, plays or participates in a game
20 of chance or raffle in a manner which causes the winner to
21 be determined other than by chance shall be guilty of a
22 misdemeanor. Any person who conducts, manages or operates
23 a game of skill, game of chance or raffle in violation of
24 the provisions of this Act shall be guilty of a misdemeanor.

25 Sec. 8. *NEW SECTION.* Section one hundred twenty-
26 three point forty-nine (123.49), subsection two (2),
27 Code 1973, is amended by adding the following new un-
28 numbered paragraph:

29 *NEW UNNUMBERED PARAGRAPH.* This subsection shall not
30 apply to any person or club who operates or conducts any
31 device, game or raffle pursuant to the provisions of this
32 Act.

33 Sec. 9. *NEW SECTION.* Notwithstanding the provisions
34 of section ninety-nine point one (99.1) and chapter
35 ninety-nine A (99A) and chapter seven hundred twenty-six

36 (726) of the Code, it shall be lawful for any person to
37 own, operate, or play mechanical or electronic recreational
38 devices even though the machine or device awards free
39 games or one or more additional balls or shots upon
40 attaining a certain score. These machines and devices
41 are not lawful under this section if they award or are
42 played for cash or merchandise prizes.

43 Sec. 10. Section ninety-nine point one (99.1), Code 1973,
44 is amended by adding the following new paragraph:

45 **NEW UNNUMBERED PARAGRAPH.** This section shall not apply
46 gambling or pool selling is pursuant to the provisions of
47 this Act. where the

1 Sec. 11. Section four hundred twenty-two point forty-
2 three (422.43), unnumbered paragraphs two (2) and three (3),
3 Code 1973, are amended to read as follows:

4 There is hereby imposed a tax of three percent upon the
5 gross receipts derived from the operation of all forms of
6 amusement devices and *games of skill, games of chance,*
7 *raffles and bingo games as defined in this Act, and commer-*
8 *cial amusement enterprises operated or conducted within the*
9 *state of Iowa, such tax to be collected from the operator in*
10 *the same manner as is provided for the collection of taxes*
11 *upon the gross receipts of tickets or admission as provided*
12 *in this section.*

13 The tax thus imposed shall cover all receipts from the
14 operation of *games of skill, games of chance, raffles and*
15 *bingo games as defined in this Act, and musical devices,*
16 *weighing machines, shooting galleries, billiard and pool*
17 *tables, bowling alleys, pinball machines, slot-operated*
18 *devices selling merchandise not subject to the general sales*
19 *taxes and on all receipts from devices or systems where*
20 *prizes are in any manner awarded to patrons and upon the*
21 *receipts from fees charged for participation in any game*
22 *or other form of amusement, and generally upon the gross*
23 *receipts from any source of amusement operated for profit*
24 *not specified herein, and upon the gross receipts from*
25 *which no tax is collected for tickets or admission, but no tax*
26 *shall be imposed upon any activity exempt from sales tax under*
27 *the provision of subsection 4 of section 422.45. Every person*
28 *receiving gross receipts from the sources as defined in this*
29 *section shall be subject to all provisions of this division*
30 *relating to retail sales tax and such other provisions of*
31 *this chapter as may be applicable.*

32 Sec. 12. Sections four hundred twenty-two point forty-
33 five (422.45), subsection three (3), Code 1973, is amended
34 to read as follows:

35 3. The gross receipts from sales of educational, reli-

36 gious, or charitable activities, where the entire proceeds
37 therefrom are expended for educational, religious, or char-
38 itable purposes, *except the gross receipts from games of*
39 *skill, games of chance, raffles and bingo games as defined in*
40 *this Act.*

41 Sec. 13. Section ninety-nine A point one (99A.1),
42 Code 1973, is amended by adding the following new unnumbered
43 paragraph:

44 *NEW UNNUMBERED PARAGRAPH.* Gambling device does not
45 include any device or machine used in accordance with
46 this Act.

47 Sec. 14. Section five hundred thirty-seven point four

1 (537.4), Code 1973, is amended by adding the following new
2 paragraph:

3 **NEW UNNUMBERED PARAGRAPH.** This section shall not apply to
4 incident to the operation of games or raffles conducted
5 pursuant to the provisions of this Act.

6 Sec. 15. Section seven hundred twenty-six point one (726.1),
7 Code, 1973, is amended by adding the following new paragraph:

8 **NEW UNNUMBERED PARAGRAPH.** This section shall not apply
9 to any person
10 where the game or raffle is held in accordance with the
11 provisions of this Act.

12 Sec. 16. Section seven hundred twenty-six point three
13 (726.3), Code 1973, is amended by adding the following new
14 paragraph:

15 **NEW UNNUMBERED PARAGRAPH.** This section shall not apply
16 to any per-
17 son playing a game or buying a chance at a raffle which is
18 conducted pursuant to the provisions of this Act or which
19 he reasonably believes to be conducted pursuant to the
20 provisions of this Act.

21 Sec. 17. Section seven hundred twenty-six point four
22 (726.4), Code 1973, is amended by adding the following new
23 paragraph:

24 **NEW UNNUMBERED PARAGRAPH.** This section shall not apply
25 to any wager
26 on a game or raffle conducted pursuant to the provisions of
27 this Act.

28 Sec. 18. Section seven hundred twenty-six point five
29 (726.5), Code 1973, is amended by adding the following new
30 paragraph:

31 **NEW UNNUMBERED PARAGRAPH.** This section shall not apply
32 to any machine
33 used for games or raffles conducted in accordance with the
34 provisions of this Act.

35 Sec. 19. Section seven hundred twenty-six point six
36 (726.6), Code 1973, is amended by adding the following new
37 paragraph:

38 **NEW UNNUMBERED PARAGRAPH.** This section shall not apply
39 to any per-
40 son operating or managing a game or raffle in accordance with

1 the provisions of this Act.

2 Sec. 20. Section seven hundred twenty-six point eight
3 (726.8), Code 1973, is amended by adding the following new
4 paragraph:

5 **NEW UNNUMBERED PARAGRAPH.** This section shall not apply to
6 son managing, operating, advertising, or playing any game
7 or raffle pursuant to the provisions of this Act.

8 Sec. 21. Chapter seven hundred twenty-six (726),
9 Code 1973, is amended by adding the following new section:

10 **NEW SECTION.** Natural persons shall be exempt from
11 prosecution and punishment under this chapter, chapter
12 seven hundred thirteen (713) and section three hundred
13 sixty-eight point seven (368.7), of the Code, for any
14 game, wager or transaction which is incidental to a
15 bonafide social relationship, is participated in by
16 natural persons only, and in which no person is partici-
17 pating, directly or indirectly, in professional gambling
18 by accepting or offering to accept, for profit, any
19 money, credits, deposits or other thing of value risked
20 in gambling or any claim to or interest therein.

21 Sec. 22. This Act, being deemed of immediate impor-
22 tance, shall take effect and be in force from and after
23 its publication in The Telegraph-Herald, a newspaper
24 published in Dubuque, Iowa, and in the Ankeny Press-Citizen,
25 a newspaper published in Ankeny, Iowa.

26 **EXPLANATION**

27 This bill provides games of skill and games of chance may
28 be played at fairs subject to some restrictions and that fairs
29 may conduct raffles subject to some restrictions.

30 This bill also provides that certain organizations of a
31 civic, religious, charitable, and educational variety may
32 conduct games of skill, games of chance and raffles, subject
33 to some restrictions.

34 This bill also provides that cities and towns may authorize
35 games and raffles at bona fide civic, service, or merchants

36 celebrations, subject to some restrictions.

37 This bill defines game of skill and game of chance to limit

38 games to the type generally played at fairs and to include

39 bingo. Wager and prize limitations are established.

S-266

1 Amend Senate File 108 as follows:

2 1. By striking everything after the enacting clause
3 and inserting in lieu thereof the following:

4 Section 1. NEW SECTION. DEFINITIONS. As used in
5 this Act unless the context otherwise requires:

6 1. "Game" means a game whereby the result is deter-
7 mined by the player directing or throwing objects to
8 designated areas or targets, or by maneuvering water
9 or an object into a designated area, or by maneuvering
10 a dragline device to pick up particular items, or by
11 shooting a gun or rifle and means a game whereby the
12 result is determined by chance and the player in order
13 to win aligns objects or balls in a prescribed pattern
14 or order or makes certain color patterns appear and
15 specifically includes but is not limited to the game
16 commonly known as bingo and includes but is not limited
17 to mechanical or electronic recreational devices which
18 award free games or one or more additional balls or
19 shots upon attaining a certain score. Game does not
20 include a slot machine.

21 2. "Raffle" means a lottery in which each partici-
22 pant buys a ticket for a chance at a price with the
23 winner determined by a random method.

24 Sec. 2. NEW SECTION. EXEMPTIONS. Games and raffles
25 which are licensed may be played and operated and shall

Page 2

1 not be subject to the provisions of sections ninety-
2 nine point one (99.1), one hundred twenty-three point
3 forty-nine (123.49), subsection two (2), and five hundred
4 thirty-seven point four (537.4); and chapters ninety-
5 nine A (99A), seven hundred thirteen (713), and seven
6 hundred twenty-six (726) of the Code.

7 Sec. 3. NEW SECTION. LICENSING. No person shall
8 operate or conduct a game or raffle unless licensed
9 by the department of revenue. The department of revenue
10 shall license persons to conduct games and raffles.
11 A license fee of ten dollars shall be charged and the
12 license shall be valid for one year.

13 Sec. 4. NEW SECTION. TAXATION. There is imposed
14 upon the gross receipts of a game or raffle a tax at
15 the rate of ten percent of the gross receipts. This
16 tax is in lieu of and not in addition to the sales tax
17 imposed by chapter four hundred twenty-two (422) of
18 the Code.

19 Sec. 5. NEW SECTION. REVENUE. All license fee
20 receipts and all tax receipts collected under this Act
21 shall be remitted by the department of revenue to the
22 treasurer of state who shall credit the receipts to
23 the general fund of the state.

S-272

1 Amend the Glenn amendment S-263 to Senate File
2 108 as follows:
3 Lines 7 and 8 by striking the words "and sections
4 ninety-nine point one (99.1) and", and inserting in
5 lieu thereof the words "and section".

S-272 Filed and adopted By GLENN
March 21, 1973

S-270

1 Amend the Lamborn and Glenn amendment S-259 to Senate
2 File 108 by striking the following in lines 6, 7 and 8:
3 "A license fee of ten dollars shall be charged and the
4 license shall be valid for one year." and inserting in
5 lieu thereof the following: "An annual license fee of
6 ten dollars or a daily license fee of one dollar shall be
7 charged."

S-270 Filed and lost By DE KOSTER
March 21, 1973

HOUSE AMENDMENT TO SENATE FILE 108

- 1 Amend Senate File 108, as amended, passed, and
2 reprinted, as follows:
- 3 1. Page 2A, line 13, by striking the words "commonly
4 known" and inserting in lieu thereof the word "defined".
 - 5 2. Page 2A, by inserting after the period in line
6 17 the following: "Raffle" does not include a slot
7 machine.
 - 8 3. Page 2A, by adding the following after line
9 17:
 - 10 4. "Bingo" means a game, whether known as bingo,
11 or any other name, in which each participant uses one
12 or more cards each of which is marked off into spaces
13 arranged in horizontal and vertical rows of spaces,
14 with each space being designated by numer, letter,
15 or combination of numbers and letters, no two cards
16 being identical, with the players covering spaces as
17 the operator of such game announces the number, letter,
18 or combination of numbers and letters appearing on an
19 object selected by chance, either manually or
20 mechanically, from a receptacle in which have been
21 placed objects bearing numbers, letters, or combinations
22 of numbers and letters corresponding to the system used
23 for designating the spaces, with the winner of each game
24 being the player or players first properly covering a
25 predetermined and announced pattern of spaces on a card

Page 2

- 1 being used by him or them.
- 2 5. "Gross receipts" means the total revenue received
3 from the sale of rights to participate in a game of
4 skill, game of chance, or raffle and admission fees
5 or charges.
 - 6 6. "Net receipts" means gross receipts less reson-
7 able expenses, charges, fees and deductions allowed by
8 the department of revenue.
 - 9 7. "Net rent" means the total rental charge minus
10 reasonable expenses, charges, fees and deductions
11 allowed by the department of revenue.
 - 12 4. Page 2A, by striking lines 22 through 25.
 - 13 5. Page 2A, by striking lines 29 through 35.
 - 14 6. Page 2B, by striking lines 36 through 41 and
15 inserting in lieu thereof the following:
 - 16 10. "Qualified organization" means any licensed
17 person who dedicates the net receipts of a game of
18 skill, game of chance or raffle as provided in section
19 six (6) of this Act.
 - 20 7. Page 2B, by adding the following after the
21 period in line 50: "This section shall not apply to
22 company games lawful under section designated as
23 "company games" in this Act or to games lawful under
24 section twenty-one (21) of this Act.
 - 25 8. Page 3A, line 3, by striking the word "fairs" and

Page 3

1 inserting in lieu thereof the words "the authorizing
2 fair".

3 9. Page 3A, line 11, by inserting the following
4 after the word "game":

5 "and the game is conducted in a fair and honest
6 manner".

7 10. Page 3A, by striking lines 14 and 15 and in-
8 serting in lieu thereof the following:

9 6. The actual retail value of any prize does not
10 exceed twenty-five dollars. If a prize consists of
11 more than one item, unit or part, the aggregate retail
12 value of all items, units or parts shall not exceed
13 twenty-five dollars.

14 7. No concealed numbers and no conversion charts
15 may be used to play any game and no game may be rigged
16 with any control devices, levers, rods, wires, hydraulic,
17 pneumatic, or electrical connections, which permit
18 manipulation of the game by the operator to prevent a
19 player from winning or to predetermine who the winner will
20 be, and the object target, block or object of the game
21 must be attainable and possible to perform under the
22 rules stated from the playing position of the
23 player.

24 8. There shall be placed near the front or playing
25 area of the game a sign at least thirty inches by thirty

Page 4

1 inches, with permanent material and lettering, stating
2 at the top in letters at least three inches high:
3 "Rules of the Game". Thereunder there shall be set
4 forth in large, easily readable print, the name of
5 the game, the price to play the game, the complete
6 rules for the game and the name and permanent address
7 of the owner of the game.

8 11. Page 3A, by striking lines 18 through 22 and
9 inserting in lieu thereof the following:

10 1. The raffle shall be subject to the same restric-
11 tions provided for games of skill and games of chance
12 in section three (3), subsections one (1) through
13 eight (8) of this Act, and

14 12. Page 3A, line 24, by striking the word and
15 figure "three (3)" and inserting in lieu thereof the
16 words and figures "six (6) of section three (3) of
17 this Act,".

18 13. Page 3A, by striking lines 28 through 35.

19 14. Page 3B, by striking lines 36 through 42 and
20 inserting in lieu thereof the following:

21 Sec. _____. NEW SECTION. AMUSEMENT PARKS. The city
22 or town council of any city or town or the county
23 board of supervisors with respect to any unincorporated
24 area within the county may by resolution authorize
25 games of skill and games of chance at any amusement

Page 5

1 park provided:

2 1. The amusement park and the persons operating
3 the games of skill and games of chance are licensed
4 pursuant to section two (2) of this Act, and

5 2. The games of skill and games of chance shall
6 be subject to the provisions of section three (3),
7 subsections one (1) through eight (8), of this Act.

8 15. Page 3B, by adding the following before line 43:

9 Sec. ____ . NEW SECTION. CIVIC CELEBRATIONS. The
10 city or town council of any city or town, or the county
11 board of supervisors with respect to any unincorporated
12 area within the county, may by resolution authorize
13 games of skill and games of chance at any carnival,
14 bazaar, centennial or celebration sponsored by any
15 bona fide civic group, service club or merchants group
16 provided:

17 1. The carnival, bazaar, centennial or celebration
18 is licensed under section two (2) of this Act, and

19 2. The games of skill and games of chance shall be
20 subject to the restrictions provided in section
21 three (3) of this Act.

22 16. Page 3B, line 45, by striking the word "other".

23 17. Page 3B, by striking lines 46 through 55 and
24 inserting in lieu thereof the following:

25 1. The net receipts of the game are dedicated

Page 6

1 to the awarding of prizes to contestants or
2 participants and to educational, civic, public,
3 charitable, patriotic or religious uses in this state.
4 "Educational, civic, public, charitable, patriotic,
5 or religious uses" means uses benefiting a society
6 for the prevention of cruelty to animals or animal
7 rescue league or uses benefiting an indefinite number
8 of persons either by bringing them under the influence
9 of education or religion or relieving them from
10 disease, suffering, or constraint, or by erecting
11 or maintaining public buildings or works, or otherwise
12 lessening the burden of government but do not include
13 the erection, acquisition, improvement, maintenance,
14 or repair of real, personal or mixed property unless
15 it is used exclusively for one or more of the uses
16 stated. "Public uses" specifically includes dedication
17 of net receipts to political parties as defined in
18 section forty-three point two (43.2) of the Code.

19 "Charitable uses" includes uses benefiting a definite
20 number of persons who are the victims of loss of home
21 or household possessions through explosion, fire,
22 flood, or storm and the loss is uncompensated by
23 insurance, and uses benefiting a definite number of
24 persons suffering from a seriously disabling disease
25 or injury, causing severe loss of income or incurring

Page 7

1 extraordinary medical expense, which is uncompensated
2 by insurance.

3 The net receipts must be devoted within six months
4 to one or more of the permitted uses. A person
5 desiring to hold the net receipts for a period longer
6 than six months must apply to the department of revenue
7 for special permission and upon good cause shown the
8 department may grant the request.

9 2. No person receives or has any fixed or con-
10 tingent right to receive, directly or indirectly, any
11 profit, remuneration, or compensation from or related
12 to a game of skill, game of chance, or raffle, except
13 any amount which he may win as a participant on the
14 same basis as the other participants. Persons operating
15 or managing a game or raffle shall not be participants
16 in the game or raffle.

17 3. Games of skill, games of chance, and raffles
18 shall not be conducted on rented premises unless the
19 premises are rented from a licensed qualified organi-
20 zation and the net rent received is dedicated to one
21 or more of the uses permitted for dedication of net
22 receipts. This subsection shall not apply where the
23 rented premises are those upon which a qualified
24 organization usually carries out a lawful business
25 other than operating games of skill, games of chance

Page 8

1 or raffles.

2 18. Page 4A, by striking lines 1 through 11 and
3 inserting in lieu thereof the following:

4 4. Cash prizes may be awarded only in the game
5 of bingo and shall not exceed one hundred dollars.
6 Merchandise prizes may be awarded in the game of
7 bingo; however, the actual retail value of the prize,
8 or if the prize consists of more than one item, unit
9 or part, the aggregate retail value of all items,
10 units or parts, shall not exceed one hundred dollars,
11 and

12 5. No cash prizes shall be awarded in games of
13 skill, games of chance, other than bingo, and raffles.
14 The actual retail value of any merchandise prizes
15 shall not exceed twenty-five dollars and may not be
16 repurchased, and

17 6. That games of skill, games of chance and raffles
18 shall be subject to the provisions of section three
19 (3), subsections one (1), two (2), four (4), five (5),
20 seven (7), and eight (8) of this Act. A jackpot
21 bingo game in which the prize doubles if not won at
22 one game shall not be considered a game operated on a
23 build-up or pyramid basis under section three (3), sub-
24 section five (5) of this Act, provided the cost of play
25 does not increase and the jackpot does not build to more

Page 9

1 than five hundred dollars in cash or actual retail
2 value of merchandise prizes, notwithstanding the one
3 hundred dollar limitation provided in subsection four
4 (4) of this section.

5 19. Page 4A, by striking line 13 and inserting
6 in lieu thereof the following: "one (1) of section
7 three (3) of this Act and five (5) of this section
8 a qualified organi-".

9 20. Page 4A, by adding the following after line 17:

10 Sec. _____. NEW SECTION. COMPANY GAMES. Games
11 of skill, games of chance, card games and raffles
12 may be conducted provided a bona fide social or
13 employment relationship exists between the sponsors
14 and the participants and the participants pay no
15 consideration of any nature, either directly or
16 indirectly, to participate in the games or raffles,
17 and all money or other items wagered are provided
18 to the participant free, and the sponsor conduct-
19 ing the game or raffle receives no consideration,
20 either directly or indirectly, other than goodwill.

21 21. Page 4A, by adding the following after line
22 24:

23 A misdemeanor under this section is punishable
24 by imprisonment in the county jail for not more than
25 one year or by a fine of not more than one thousand

Page 10

1 dollars or by both imprisonment and fine.

2 22. Page 4A, by striking lines 25 through 32 and
3 inserting in lieu thereof the following:

4 Sec. _____. Section one hundred twenty-three point
5 forty-nine (123.49), Code 1973, is amended by adding
6 the following new subsection:

7 NEW SUBSECTION. Subsection two (2), paragraph
8 a, of this section shall not apply to games of skill,
9 games of chance, or raffle conducted pursuant to this
10 Act, or to devices lawful under section nine (9) of
11 this Act or to games lawful under section twenty-one
12 (21) of this Act.

13 23. Page 4B, line 37, by striking the word "recrea-
14 tional" and inserting in lieu thereof the word
15 "amusement".

16 24. Page 4B, by adding before the period in line 42
17 the following: "or if the machines or devices are
18 equipped with a push button or other device for
19 releasing free games which are not played off and a
20 meter for measuring the games released or a device by
21 which a person may increase his chances of winning free
22 games by inserting additional coins".

23 25. Page 4B, by striking lines 45 through 47 and
24 inserting in lieu thereof the following:

25 NEW UNNUMBERED PARAGRAPH. The provisions of this

Page 11

1 section shall not apply to games of skill, games of
2 chance, or raffles conducted pursuant to this Act
3 or to devices lawful under section nine (9) of this
4 Act or to games lawful under section twenty-one (21)
5 of this Act.

6 26. Page 5B, by adding the following after line
7 46:

8 Sec. _____. Section three hundred sixty-eight point
9 seven (368.7), Code 1973, is amended by adding the
10 following new subsection:

11 NEW SUBSECTION. Subsections eight (8) and nine
12 (9) of this section shall not apply to games of skill,
13 games of chance or raffles conducted pursuant to this
14 Act and shall not apply to mechanical or electronic
15 amusement devices lawful under section nine (9)
16 of this Act, or games lawful under section twenty-
17 one (21) of this Act.

18 27. Page 6, by striking lines 3 through 5 and
19 inserting in lieu thereof the following:

20 NEW UNNUMBERED PARAGRAPH. This section shall
21 not apply to a contract for the operation of or for
22 the sale or rental of equipment for games of skill or
23 games of chance, if both the contract and the games
24 are in compliance with this Act.

25 28. Page 6, by adding the following after line 5:

Page 12

1 Sec. _____. Chapter seven hundred thirteen (713),
2 Code 1973, is amended by adding the following new
3 section:

4 NEW SECTION. The provisions of sections
5 seven hundred thirteen point twenty-nine (713.29)
6 through seven hundred thirteen point thirty-three
7 (713.33) of the Code shall not apply to games of skill,
8 games of chance, or raffles conducted pursuant to this
9 Act or to devices lawful under section nine (9) of this
10 Act or to games lawful under section twenty-one (21)
11 of this Act.

12 29. Page 6, by striking lines 6 through 35.

13 30. Page 7A, by striking lines 1 through 7 and
14 inserting in lieu thereof the following:

15 Sec. _____. Chapter seven hundred twenty-six (726),
16 Code 1973, is amended by adding the following new
17 section:

18 NEW SECTION. Sections seven hundred twenty-six
19 point one (726.1) through seven hundred twenty-six
20 point six (726.6), inclusive, and section seven hundred
21 twenty-six point eight (726.8) of the Code shall not
22 apply to games of skill, games of chance and raffles
23 conducted pursuant to this Act and shall not apply
24 to mechanical or electronic amusement devices
25 lawful under section nine (9) of this Act, or games

1 lawful under section twenty-one (21) of this Act.
2 31. Page 7A, by striking lines 10 through 20 and
3 inserting in lieu thereof the following:

4 NEW SECTION. Natural persons may
5 participate in games of skill, games of chance, card
6 games played for money with ordinary playing cards,
7 wagers, bets, pools, or raffles provided:

8 1. The game or activity described in this section
9 is incidental to a bona fide social relationship and
10 is not conducted in whole or in part on or in any
11 property subject to chapter two hundred ninety-
12 seven (297) of the Code, relating to school houses
13 and school house sites.

14 2. All participants, sponsors, and promoters of
15 the game or activity are natural persons.

16 3. The game or activity is conducted in a fair
17 and honest manner.

18 4. No person receives or has any fixed or contin-
19 gent right to receive, directly or indirectly, any
20 profit, remuneration, or compensation from or as a
21 result of the game or activity, except any amount
22 which he may win as a participant on the same basis
23 as the other participants.

24 5. No gambling device as defined in section ninety-
25 nine A point one (99A.1) of the Code is used in or

1 for the game or activity, except poker tables, devices
2 required for a game of skill or game of chance as
3 defined in this Act, or tickets, sheets, or writings
4 reasonably necessary for a game or activity permitted
5 by this section.

6 6. If a wager, bet, or pool relates to an
7 athletic event or contest for which spectators pay any
8 admission fee or charge or which is authorized or
9 sponsored by one or more schools, educational
10 institutions, or interscholastic athletic organizations,
11 no person participating in the wager, bet, or pool is a
12 coach, official, player or contestant in the athletic
13 event or contest.

14 7. No participant wins or loses more than a
15 total of five hundred dollars in all games and activi-
16 ties permitted by this section during any period of
17 twenty-four consecutive hours.

18 If any provision of subsection two (2) through
19 seven (7) of this section is violated, the game or
20 activity shall be unlawful because of this violation
21 only with respect to any person who knows of or has
22 reasonable grounds to suspect such violation.

23 32. By renumbering the sections and subsections
24 and correcting internal references.

25 33. By amending the title, page 1, line 2, by

1 inserting before the word "and" the following:
2 ", providing a tax".

1 Amend Senate File 108, page 3, by striking lines 1 through
2 15 and inserting in lieu thereof the following:

3 Sec. 2. NEW SECTION. CARNIVAL GAMES. Games may be operated
4 and played at fairs, community celebrations, business promotions,
5 amusement parks, carnivals, church picnics, school carnivals, and
6 fund-raising events, provided:

7 1. The outcome of the game can be determined by the dexterity,
8 stamina, strength, reflexes, coordination, wit, or skill of the
9 player.

10 2. There is placed at the front of the game near the playing
11 area and well illuminated a sign measuring at least thirty inches
12 by thirty inches, constructed of permanent-type material and
13 lettering, stating at the top in letters at least one and one-
14 half inches high: "Rules of the Game". Thereunder there shall
15 be set forth in letters at least one inch high of easily readable
16 print, stating;

17 a. The name of the game.

18 b. The price to play the game.

19 c. The complete rules of the game.

20 d. The name and permanent address of the owner of the game.

21 3. No numbers that are used in the course of any game are
22 concealed from any player at any time before, during or after
23 play.

24 4. No numbers are used in the course of any game are
25 converted into, added into, divided into, multiplied into, or

Page 2

1 substracted from any other number, score or objective before,
2 during or after play.

3 5. The game or stand or building that houses the game
4 does not contain any control devices, levers, rods, wires,
5 hydraulic, pneumatic, or electrical connections which permit
6 manipulation of the game by the operator or other persons to
7 prevent a player from winning or to determine who the winner
8 will be.

9 6. The game does not utilize in any fashion deceptive
10 operator manipulations, sleight of hand tricks or fraud to
11 deceive the player.

12 7. The objective of the game, goal, scoring method, or
13 task is attainable and possible to perform as the "Rules of
14 the Game" state from the playing position of the player.

15 8. No merchandise is displayed as a prize that cannot be won.

17 9. Cash prizes are not offered or awarded and merchandise
18 prizes are not repurchased at the game where they were won or
19 at any location organized for the purpose of repurchasing
20 prizes.

21 10. The cost to play the game does not exceed one dollar.

22 11. No prize exceeds a merchandise invoice valuation of
23 twenty-five dollars.

24 12. The game is operated only as the "Rules of the Game"
25 state.

Page 3

1 13. The game does not utilize increasing fee or increasing
2 stakes rules.

3 14. The game and stand that houses the game are constructed
4 in such fashion that a peace officer or inspector can easily
5 dismantle every part of the stand and game to verify compliance

H-526

- 1 Amend the Committee on Judiciary and Law Enforce-
2 ment amendment, H-428, to Senate File 108 as follows:
3 1. By adding the following after line 55:
4 "7. No concealed numbers and no conversion charts
5 may be used to play any game and no game may be rigged
6 with any control devices, levers, rods, wires, hydrau-
7 lic, pneumatic, or electrical connections, which
8 permit manipulation of the game by the operator to
9 prevent a player from winning or to predetermine who
10 the winner will be, and the object target, block or
11 object of the game must be attainable and possible to
12 perform under the rules stated from the playing posi-
13 tion of the player.
14 8. There shall be placed near the front or play-
15 ing area of the game a sign at least thirty inches
16 by thirty inches, with permanent material and letter-
17 ing, stating at the top in letters at least three
18 inches high: "Rules of the Game". Thereunder there
19 shall be set forth in large, easily readable print,
20 the name of the game, the price to play the game, the
21 complete rules for the game and the name and permanent
22 address of the owner of the game."
23 2. By striking the word and figure "six (6)"
24 from line 61 and inserting in lieu thereof the word
25 and figure "eight (8)".
26 3. By striking the word and figure "six (6)" from
27 line 80 and inserting in lieu thereof the word and
28 figure "eight (8)".
29 4. By striking the word "and" from line 146.
30 5. By adding the words and figures "seven (7),
31 and eight (8)" before the word "of" in line 147.

H-526 Filed and adopted By MENNENGA of Clinton
May 16, 1973 *Senate concurred 5/23*

H-527

- 1 Amend the Committee on Judiciary and Law Enforce-
2 ment amendment, H-428, to Senate File 108, by adding
3 after the period on line 147, the following: "A
4 jackpot bingo game in which the prize doubles if not
5 won at one game shall not be considered a game oper-
6 ated on a build-up or pyramid basis under section
7 three (3), subsection five (5) of this Act, provided
8 the cost of play does not increase and the jackpot
9 does not build to more than five hundred dollars in
10 cash or actual retail value of merchandise prices,
11 notwithstanding the one hundred dollar limitation
12 provided in subsection four (4) of this section.

H-527 Filed and adopted By HARGRAVE of Johnson
May 16, 1973 *Senate concurred 5/25*

H-531

1 Amend Senate File 108, as passed by the Senate
2 and reprinted, page 7A, by inserting the following
3 section after line 20 and by renumbering sections in
4 accordance with this amendment:

5 Sec. _____. NEW SECTION. RULES. The commissioner
6 of public safety shall adopt, in accordance with
7 chapter seventeen A (17A) of the Code, reasonable rules
8 for the interpretation and implementation of this Act.
9 The rules shall include lists of games believed to be
10 lawful and games believed to be unlawful under this
11 Act.

H-531 Filed and lost
May 16, 1973

By STANLEY of Muscatine
MIDDLESWART of Warren
GRASSLEY of Butler

H-535

1 Amend Senate File 108, as passed and reprinted, as
2 follows:

3 1. Page 3B, by adding the following before line 43:

4 Sec. _____. NEW SECTION. CIVIC CELEBRATIONS. The
5 city or town council of any city or town, or the county
6 board of supervisors with respect to any unincorporated
7 area within the county, may by resolution authorize
8 games of skill and games of chance at any carnival,
9 bazaar, centennial or celebration sponsored by any
10 bona fide civic group, service club or merchants group
11 provided:

12 1. The carnival, bazaar, centennial or celebration
13 is licensed under section two (2) of this Act, and

14 2. The games of skill and games of chance shall be
15 subject to the restrictions provided in section
16 three (3) of this Act.

17 2. By renumbering the bill sections.

H-535 Filed and adopted
May 16, 1973

By HILL of Polk
WEST of Marshall

Amend renumbered 5/15